PARLIAMENTARY DEBATES

(HANSARD)

SIXTH SERIES—VOLUME 515 (Part 1)

HOUSE OF COMMONS

OFFICIAL REPORT

FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT
OF THE UNITED KINGDOM OF GREAT BRITAIN
AND NORTHERN IRELAND
FIFTY-NINTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SESSION 2010–2011

COMPRISING PERIOD
6 September 2010—4 October 2010

HER MAJESTY'S GOVERNMENT

MEMBERS OF THE CABINET

(Formed by the Rt Hon. David Cameron, MP, May 2010)

Prime Minister, First Lord of the Treasury and Minister for the Civil Service—The Rt Hon. David Cameron, MP

Deputy Prime Minister and Lord President of the Council—The Rt Hon. Nick Clegg, MP

First Secretary of State and Secretary of State for Foreign and Commonwealth Affairs—The Rt Hon. William Hague, MP

Chancellor of the Exchequer—The Rt Hon. George Osborne, MP

Lord Chancellor and Secretary of State for Justice—The Rt Hon. Kenneth Clarke, QC, MP

Secretary of State for the Home Department and Minister for Women and Equalities—The Rt Hon. Theresa May, MP

Secretary of State for Defence—The Rt Hon. Liam Fox, MP

Secretary of State for Business, Innovation and Skills—The Rt Hon. Vince Cable, MP

Secretary of State for Work and Pensions—The Rt Hon. Iain Duncan Smith, MP

Secretary of State for Energy and Climate Change—The Rt Hon. Chris Huhne, MP

Secretary of State for Health—The Rt Hon. Andrew Lansley, CBE, MP

Secretary of State for Education—The Rt Hon. Michael Gove, MP

Secretary of State for Communities and Local Government—The Rt Hon. Eric Pickles, MP

Secretary of State for Transport—The Rt Hon. Philip Hammond, MP

Secretary of State for Environment, Food and Rural Affairs—The Rt Hon. Caroline Spelman, MP

Secretary of State for International Development—The Rt Hon. Andrew Mitchell, MP

Secretary of State for Northern Ireland—The Rt Hon. Owen Paterson, MP

Secretary of State for Scotland—The Rt Hon. Michael Moore, MP

Secretary of State for Wales—The Rt Hon. Cheryl Gillan, MP

Secretary of State for Culture, Olympics, Media and Sport—The Rt Hon. Jeremy Hunt, MP

Chief Secretary to the Treasury—The Rt Hon. Danny Alexander, MP

Leader of the House of Lords and Chancellor of the Duchy of Lancaster—The Rt Hon. Lord Strathclyde

Minister without Portfolio—The Rt Hon. Baroness Warsi

DEPARTMENTS OF STATE AND MINISTERS

Business, Innovation and Skills—

Secretary of State and President of the Board of Trade—The Rt Hon. Vince Cable, MP

Ministers of State—
The Rt Hon. David Willetts, MP (Minister for Universities and Science)
John Hayes, MP (Minister for Further Education, Skills and Lifelong Learning) §
Mark Prisk, MP

Parliamentary Under-Secretaries of State—
Edward Davey, MP
Edward Vaizey, MP §
Baroness Wilcox

Cabinet Office—

Minister for the Cabinet Office and Paymaster General—The Rt Hon. Francis Maude, MP

Minister of State—The Rt Hon. Oliver Letwin, MP

Parliamentary Secretaries—
Mark Harper, MP
Nick Hurd, MP

Communities and Local Government—

Secretary of State—The Rt Hon. Eric Pickles, MP

Ministers of State—
The Rt Hon. Greg Clark, MP
The Rt Hon. Grant Shapps, MP (Minister for Housing and Local Government) §

Parliamentary Under-Secretaries of State—
Andrew Stunell, OBE, MP
Robert Neill, MP
Baroness Hanham, CBE

Culture, Media and Sport—

SECRETARY OF STATE FOR CULTURE, OLYMPICS, MEDIA AND SPORT—The Rt Hon. Jeremy Hunt, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
John Penrose, MP
Hugh Robertson, MP (Minister for Sport and the Olympics)
Edward Vaizey, MP §

Defence—

SECRETARY OF STATE—The Rt Hon. Liam Fox, MP

MINISTER OF STATE—Nick Harvey, MP (Minister for the Armed Forces)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Gerald Howarth, MP
Andrew Robathan, MP
Peter Luff, MP
Lord Astor of Hever, DL §

Duchy of Lancaster—

LEADER OF THE HOUSE OF LORDS AND CHANCELLOR OF THE DUCHY OF LANCASTER—The Rt Hon. Lord Strathclyde

Education—

SECRETARY OF STATE—The Rt Hon. Michael Gove, MP

MINISTERS OF STATE—
Sarah Teather, MP
Nick Gibb, MP
John Hayes, MP (Minister for Further Education, Skills and Lifelong Learning) §

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Tim Loughton, MP
Lord Hill of Oareford

Energy and Climate Change—

SECRETARY OF STATE—The Rt Hon. Chris Huhne, MP

MINISTERS OF STATE—
Charles Hendry, MP
Gregory Barker, MP

PARLIAMENTARY UNDER-SECRETARY OF STATE—Lord Marland

Environment, Food and Rural Affairs—

SECRETARY OF STATE—The Rt Hon. Caroline Spelman, MP

MINISTER OF STATE—James Paice, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Richard Benyon, MP
Lord Henley

Foreign and Commonwealth Office—

SECRETARY OF STATE—The Rt Hon. William Hague, MP

MINISTERS OF STATE—
Jeremy Browne, MP
David Lidington, MP (Minister for Europe)
The Rt Hon. Lord Howell of Guildford

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Henry Bellingham, MP
Alistair Burt, MP

Government Equalities Office—

MINISTER FOR WOMEN AND EQUALITIES—The Rt Hon. Theresa May, MP §

MINISTER FOR EQUALITIES—Lynne Featherstone, MP §

Health—

SECRETARY OF STATE—The Rt Hon. Andrew Lansley, CBE, MP

MINISTERS OF STATE—
Paul Burstow, MP
Simon Burns, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Anne Milton, MP
Earl Howe

Home Office—

SECRETARY OF STATE AND MINISTER FOR WOMEN AND EQUALITIES—The Rt Hon. Theresa May, MP §

MINISTERS OF STATE—
Damian Green, MP (Minister for Immigration)
The Rt Hon. Nick Herbert, MP (Minister for Policing and Criminal Justice) §
The Rt Hon. Baroness Neville-Jones (Minister for Security)

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Lynne Featherstone, MP (Minister for Equalities) §
James Brokenshire, MP

International Development—

SECRETARY OF STATE—The Rt Hon. Andrew Mitchell, MP

MINISTER OF STATE—The Rt Hon. Alan Duncan, MP

PARLIAMENTARY UNDER-SECRETARY OF STATE—Stephen O'Brien, MP

Justice—

LORD CHANCELLOR AND SECRETARY OF STATE—The Rt Hon. Kenneth Clarke, QC, MP

MINISTERS OF STATE—
The Rt Hon. Lord McNally
The Rt Hon. Nick Herbert, MP (Minister for Policing and Criminal Justice) §

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Crispin Blunt, MP
Jonathan Djanogly, MP

Law Officers—

ATTORNEY-GENERAL—The Rt Hon. Dominic Grieve, QC, MP

SOLICITOR-GENERAL—Edward Garnier, QC, MP

ADVOCATE-GENERAL FOR SCOTLAND—The Rt Hon. Lord Wallace of Tankerness, QC

Leader of the House of Commons—

LEADER OF THE HOUSE OF COMMONS AND LORD PRIVY SEAL—The Rt Hon. Sir George Young, MP

PARLIAMENTARY SECRETARY—David Heath, CBE, MP

Northern Ireland—

SECRETARY OF STATE—The Rt Hon. Owen Paterson, MP

MINISTER OF STATE—Hugo Swire, MP

Privy Council Office—

DEPUTY PRIME MINISTER AND LORD PRESIDENT OF THE COUNCIL—The Rt Hon. Nick Clegg, MP

Scotland Office—

SECRETARY OF STATE—The Rt Hon. Michael Moore, MP

PARLIAMENTARY UNDER-SECRETARY OF STATE—The Rt Hon. David Mundell, MP

Transport—

SECRETARY OF STATE—The Rt Hon. Philip Hammond, MP

MINISTER OF STATE—The Rt Hon. Theresa Villiers, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Norman Baker, MP
Mike Penning, MP

Treasury—

PRIME MINISTER, FIRST LORD OF THE TREASURY AND MINISTER FOR THE CIVIL SERVICE—The Rt Hon. David Cameron, MP

CHANCELLOR OF THE EXCHEQUER—The Rt Hon. George Osborne, MP

CHIEF SECRETARY—The Rt Hon. Danny Alexander, MP

FINANCIAL SECRETARY—Mark Hoban, MP

EXCHEQUER SECRETARY—David Gauke, MP

ECONOMIC SECRETARY—Justine Greening, MP

COMMERCIAL SECRETARY—Lord Sassoon

PARLIAMENTARY SECRETARY—The Rt Hon. Patrick McLoughlin, MP

LORDS COMMISSIONERS—
Michael Fabricant, MP
Angela Watkinson, MP
Jeremy Wright, MP
Brooks Newmark, MP
James Duddridge, MP

ASSISTANT WHIPS—
Philip Dunne, MP
Stephen Crabb, MP
Robert Goodwill, MP
Shailesh Vara, MP
Bill Wiggin, MP
Chloe Smith, MP
Norman Lamb, MP
Mark Hunter, MP

Wales Office—

SECRETARY OF STATE—The Rt Hon. Cheryl Gillan, MP

PARLIAMENTARY UNDER-SECRETARY OF STATE—David Jones, MP

Work and Pensions—

SECRETARY OF STATE—The Rt Hon. Iain Duncan Smith, MP

MINISTERS OF STATE—
The Rt Hon. Chris Grayling, MP
Steve Webb, MP

PARLIAMENTARY UNDER-SECRETARIES OF STATE—
Maria Miller, MP
Lord Freud

Her Majesty's Household—

LORD CHAMBERLAIN—The Rt Hon. Earl Peel, GCVO, DL

LORD STEWARD—The Earl of Dalhousie

MASTER OF THE HORSE—Lord Vestey, KCVO

TREASURER—The Rt Hon. John Randall, MP

COMPTROLLER—Alistair Carmichael, MP

VICE-CHAMBERLAIN—The Rt Hon. Mark Francois, MP

CAPTAIN OF THE HONOURABLE CORPS OF GENTLEMEN-AT-ARMS—The Rt Hon. Baroness Anelay of St Johns, DBE

CAPTAIN OF THE QUEEN'S BODYGUARD OF THE YEOMEN OF THE GUARD—The Rt Hon. Lord Shutt of Greetland, OBE

BARONESSES IN WAITING—Baroness Northover, Baroness Rawlings, Baroness Verma

LORDS IN WAITING—Earl Attlee, Lord Astor of Hever §, DL, Lord De Mauley, TD, Lord Taylor of Holbeach, CBE, Lord Wallace of Saltaire

§ *Members of the Government listed under more than one Department*

SECOND CHURCH ESTATES COMMISSIONER, REPRESENTING CHURCH COMMISSIONERS—Tony Baldry, MP

HOUSE OF COMMONS

THE SPEAKER—The Rt Hon. John Bercow, MP

CHAIRMAN OF WAYS AND MEANS—Lindsay Hoyle, MP
FIRST DEPUTY CHAIRMAN OF WAYS AND MEANS—Nigel Evans, MP
SECOND DEPUTY CHAIRMAN OF WAYS AND MEANS—The Rt Hon. Dawn Primarolo, MP

PANEL OF CHAIRS
Mr David Amess, MP, Hugh Bayley, MP, Miss Anne Begg, MP, Mr Joe Benton, MP, Mr Clive Betts, MP, Mr Peter Bone, MP, Mr Graham Brady, MP, Annette Brooke, MP, Martin Caton, MP, Mr Christopher Chope, MP, Katy Clark, MP, Mr David Crausby, MP, Philip Davies, MP, Jim Dobbin, MP, Mr Roger Gale, MP, Mr James Gray, MP, Mr Mike Hancock, MP, Mr Philip Hollobone, MP, Mr Jim Hood, MP, The Rt Hon. George Howarth, MP, Mr Edward Leigh, MP, Dr William McCrea, MP, Miss Anne McIntosh, MP, Mrs Anne Main, MP, Mrs Linda Riordan, MP, John Robertson, MP, Andrew Rosindell, MP, Jim Sheridan, MP, Mr Gary Streeter, MP, Mr Andrew Turner, MP, Mr Charles Walker, MP, Joan Walley, MP, Mr Mike Weir, MP, Hywel Williams, MP

HOUSE OF COMMONS COMMISSION
The Rt Hon. The Speaker (Chairman), Sir Stuart Bell, MP, Nick Harvey, MP, The Rt Hon. Rosie Winterton, MP, The Rt Hon. Sir George Young, MP
SECRETARY OF THE COMMISSION—Dorian Gerhold
ASSISTANT SECRETARY—Robert Cope

ADMINISTRATION ESTIMATE AUDIT COMMITTEE
Alex Jablonowski (Chairman), Clive Betts, MP, Nick Harvey, MP, The Rt Hon. Rosie Winterton, MP, Stephen Brooker, Mark Clarke
SECRETARY OF THE AUDIT COMMITTEE—Hannah White, PhD

MANAGEMENT BOARD
Malcolm Jack, PhD (Chief Executive), Robert Rogers (Director General, Chamber and Committee Services), John Pullinger (Director General, Information Services), Andrew Walker (Director General, Resources), John Borley, CB (Director General, Facilities), Joan Miller (Director of Parliamentary ICT) (External Member), Alex Jablonowski (External Member)
SECRETARY OF THE MANAGEMENT BOARD—Philippa Helme

SPEAKER'S SECRETARY—Kate Emms (Acting)
SPEAKER'S COUNSEL—Michael Carpenter
SPEAKER'S CHAPLAIN—Rev. Canon Robert Wright
MEDICAL ADVISER TO THE SPEAKER—Dr Ron Zeegen, OBE, FRCP, MRCS, DObst, RCOG

PARLIAMENTARY COMMISSIONER FOR STANDARDS—John Lyon, CB
PARLIAMENTARY SECURITY CO-ORDINATOR—Peter Mason

6 September 2010

THE PARLIAMENTARY DEBATES

OFFICIAL REPORT

IN THE FIRST SESSION OF THE FIFTY-FIFTH PARLIAMENT OF THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND
[WHICH OPENED 18 MAY 2010]

FIFTY-NINTH YEAR OF THE REIGN OF
HER MAJESTY QUEEN ELIZABETH II

SIXTH SERIES **VOLUME 515**

SIXTH VOLUME OF SESSION 2010-2011

House of Commons

Monday 6 September 2010

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HOME DEPARTMENT

The Secretary of State was asked—

Licensing

1. **Nick Smith** (Blaenau Gwent) (Lab): What progress is being made on the Government's review of alcohol licensing. [13082]

The Secretary of State for the Home Department (Mrs Theresa May): The Government are determined to tackle alcohol-related crime and disorder. We launched the consultation "Rebalancing the Licensing Act" on 28 July. We have held seven national and seven regional stakeholder events to consult with the police, licensing authorities and representatives from the trade on the coalition Government's proposals. The Government will be analysing the responses, and we intend to take forward the proposals in the forthcoming police reform and social responsibility Bill.

Nick Smith: The misuse of alcohol has a considerable negative impact on the health of our citizens, and it increases crime. What will the Government do to stop the inappropriate and excessive advertising of alcohol, often geared towards young people, in cinemas, on commercial TV stations and in TV storylines?

Mrs May: I am grateful to the hon. Gentleman for his observations. He is absolutely correct to raise the health impact of alcohol as well as its impact on crime. The most recent figures show that over the five years to 2008-09, there were 825 more alcohol-related admissions to hospital per day than during the previous five years. This is a very real issue. We are considering a number of actions in relation to the sale of alcohol, the unit cost of alcohol and the powers of licensing authorities. If the hon. Gentleman has a specific proposal, I suggest that he puts it to the Home Office as part of the consultation.

Mr David Burrowes (Enfield, Southgate) (Con): The media often focus attention on celebrities and footballers as poor role models for children, but does the Home Secretary recognise the sad fact that almost 1 million children have an alcohol-dependent parent as a role model? What more can the Government do to prevent so many families from being broken by alcohol abuse?

Mrs May: My hon. Friend also raises an important point about the impact that alcohol can have. He has taken an interest in such issues, particularly the impact on family life, for some time. The first thing for the Government is to give a clear message about alcohol through the action that we take on licensing. Sadly, a message was given by the last Government, with their 24-hour licensing laws that were due to create a café culture in the United Kingdom, but failed to do so. We have seen that leading to more problems with alcohol.

Mr Alan Campbell (Tynemouth) (Lab): What plans does the Home Secretary have to ensure that licensed premises apply effective age verification procedures?

Mrs May: The hon. Gentleman also raises an important point about trying to ensure that alcohol is used responsibly and that those with responsibility to ensure that alcohol is being consumed or purchased only by those of an age

to do so should act appropriately. One of the issues that we are looking at specifically in our proposals is the action that can be taken against shops or bars found to be persistently selling alcohol to children. We are considering giving greater powers to councils and police to shut such premises down permanently.

Non-departmental Public Bodies

3. **Mr Douglas Carswell** (Clacton) (Con): What steps she is taking to reduce the number of non-departmental public bodies sponsored by her Department. [13084]

The Secretary of State for the Home Department (Mrs Theresa May): The Government are committed to making substantial reforms to their public bodies and intend to bring forward a public bodies Bill later this year, giving Ministers the power to abolish or merge public bodies, or transfer their functions back into Departments. The Home Office is pursuing radical reforms as part of a Government-wide review of public bodies and I have already signalled my intentions by announcing the abolition of the National Policing Improvement Agency.

Mr Carswell: The Association of Chief Police Officers, or ACPO, is not a conventional non-departmental public body. As a private company, it receives millions of pounds in Home Office grants, has a massive say over how we are policed, is exempt from freedom of information requests and is almost totally unaccountable. Is that status compatible with the Home Secretary's admirable desire to democratise control over policing? Will she either change ACPO's status or stop giving it so many grants and so much say over public policy?

Mrs May: I thank my hon. Friend for that question. He has referred to our intention to change the accountability of police forces, set out in our consultation document "Policing in the 21st Century". We also said in that document that we are looking to change the role of ACPO and talking to ACPO about the necessary changes. Moving ACPO on to a basis of leading in setting standards and showing professional leadership in the police force is the appropriate way forward, and that is what we will be talking to the organisation about.

Mrs Madeleine Moon (Bridgend) (Lab): While the right hon. Lady is looking at her review, will she consider what happens with the funding of sexual assault referral centres, or SARCs, in Wales? Wales SARCs are still awaiting their funding. It is important that the services they provide should be carried forward for women, children and men who have been subject to rape and other sexual offences. Will she please have a look at that issue?

Mrs May: I am certainly happy to do so. At the moment we are considering, and will soon be making an announcement on, some funding in relation to SARCs. As we look at the issues of people who have been subjected to sexual abuse, we need to consider not only the SARCs but rape crisis centres. It was a great shame that under the hon. Lady's Government, the last Labour Government, so many rape crisis centres had to shut because of funding problems. That is why as a coalition we are committed to making money available from the victim surcharge to open new rape crisis centres.

Wheel-clamping

4. **Diana R. Johnson** (Kingston upon Hull North) (Lab): When she plans to bring into force existing powers to curb the activities of private sector wheel-clampers. [13085]

The Parliamentary Under-Secretary of State for the Home Department (Lynne Featherstone): I announced on 17 August the Government's intention to ban wheel-clamping and towing on private land. The ban will be included in the freedom Bill, which is due to be introduced this autumn. Sections 42 and 44 of the Crime and Security Act 2010, which provide for the regulation of the vehicle immobilisation industry by way of business licensing, will be repealed.

Diana R. Johnson: In Hull, we know that the previous Government's legislation would have stopped overcharging by wheel-clamping companies, and it was widely consulted on. Why cannot the hon. Lady introduce that provision while she waits for the legislation to go through Parliament to introduce the changes that she wishes to see?

Lynne Featherstone: Because all the previous Government's legislation, despite their very good intentions, would have been complex and expensive to introduce. When we looked again at the results of the consultation, we decided that precisely because of the abuses that take place, banning was the best option. That will be brought forward this autumn, which is not that long to wait.

Bob Russell (Colchester) (LD): When the Minister made her announcement, had she consulted the industry? Bearing in mind that there are some genuine, law-abiding firms that provide an enforcement service where parking abuse takes place, would it not have been better to deal with the cowboy wheel-clampers rather than legitimate businesses? What compensation will legitimate businesses get?

Lynne Featherstone: I thank my hon. Friend for that question. Yes, the industry was consulted, and of course there are probably a number of people in the industry who are not cowboys, but unfortunately, given the vast number that were cowboys, the industry brought the change upon itself. That is why we have had to take this action rather than bring in more and more regulations that would not be enforced. Such regulations would put burdens on the police to enforce something that was never truly enforceable, and abuses would continue.

We will not pay any compensation, but the vast majority of clamping companies are already using ticketing. When the ban comes in, the others will be able to transfer to ticketing if they are any good, and private landowners will be able to protect their property anyway.

Kelvin Hopkins (Luton North) (Lab): This very week, private wheel-clampers are in operation in my constituency, extorting vast sums of money from my constituents. May I urge the Minister to go further and abolish private wheel-clamping altogether, and hand it over only to local authorities and police forces so that it can be publicly accountable?

Lynne Featherstone: I am pleased to be able to inform the hon. Gentleman that wheel-clamping is being abolished altogether on private land. Local authorities will still carry out wheel-clamping on public land.

Police Accountability

5. **Mark Lancaster** (Milton Keynes North) (Con): What recent steps she has taken to make police forces more accountable to local residents. [13086]

8. **Lorraine Fullbrook** (South Ribble) (Con): What recent steps she has taken to make police forces more accountable to local people. [13089]

The Minister for Policing and Criminal Justice (Nick Herbert): The introduction of elected police and crime commissioners to hold their chief constable and force to account through a strong public mandate will restore the connection between the police and the people, ensuring that the police are held to account democratically, not bureaucratically by Whitehall.

Mark Lancaster: Government attempts to make police forces more accountable to local people are welcome. Thames Valley police has decided to scrap the basic command unit. In the light of that, how does the Minister intend to ensure that central resources previously held by the basic command unit will still be allocated fairly across Thames Valley police?

Nick Herbert: Decisions on whether to continue with the basic command unit structure within forces are a matter for chief constables to decide, and not one on which the Government have taken a view. I appreciate my hon. Friend's concerns about resources and am happy to discuss them with him and to find out from the chief constable when I next see her, which will be this week, what she plans to do to allay them.

Lorraine Fullbrook: Does my right hon. Friend agree that a partnership between the police force and the local community is the best way to tackle crime?

Hon. Members: Thanks for that!

Nick Herbert: I strongly agree with my hon. Friend, and I know that Opposition Members will also strongly agree. The police, important though they are, cannot fight alone. It is essential that they work in partnership with the public and local authorities to prevent and drive down crime.

Mr Gerry Sutcliffe (Bradford South) (Lab): I thank the Home Secretary for banning the English Defence League march in Bradford. She listened to the calls of local residents and the police and was right to support the banning order. However, that was for a march, and a static demonstration happened. Can we look at the legislation again to see whether we can stop even the static demonstrations, which cost taxpayers a huge amount of money?

Nick Herbert: As the hon. Gentleman may know, we are considering peaceful protest and ensuring that rights of peaceful protest in this country are protected. However, extremist activity, or activity that can inflame and damage communities, is not acceptable. We will ensure that we achieve the right balance in relation to peaceful protest.

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): If the Conservative party believes so fervently in direct accountability, why is the unelected deputy Mayor chairing the London Metropolitan Police Authority?

Nick Herbert: It is entirely a matter for the Mayor whether he wishes to delegate those functions. That is permissible in London, but ultimately the buck stops with the Mayor and Londoners know that.

Alan Johnson: Yes, well, it is not very reassuring that the most prominent, high-profile Conservative Mayor—the Minister and I agree that the Mayor should take responsibility for the police—steps down and allows his unelected deputy to chair the Metropolitan Police Authority. That person, Kit Malthouse, says that chief constables are "mini-governors" who "control a standing army". Does the Minister agree with that? Does he think it right that the deputy Mayor of London should chair the Metropolitan Police Authority when he says that elected commissioners would be able to "wield the rod" over chief constables? Is that the purpose of the reforms?

Nick Herbert: First, I should say that the Labour Government's legislation introduced the arrangements that allow for the transfer of functions to the deputy Mayor. The right hon. Gentleman seems to have changed his mind about that. On our proposals, he knows that we want to enhance the accountability of local policing. Police will remain operationally independent.

"Strong, transparent accountability is vital for community confidence"—

they are not my words but those of the previous Government's Green Paper when they proposed direct accountability and then reneged on that pledge.

Police Time (Administration)

6. **Nadhim Zahawi** (Stratford-on-Avon) (Con): What recent representations she has received on the proportion of police officers' time spent on administrative tasks. [13087]

16. **Karen Lumley** (Redditch) (Con): What recent representations she has received on the proportion of police officers' time spent on administrative tasks. [13098]

The Minister for Policing and Criminal Justice (Nick Herbert): I have spoken to many officers about the time that they have to spend filling out forms. The Government are committed to reducing bureaucracy so that the police can get back on to the streets and deal with crime.

Nadhim Zahawi: In Warwickshire, our police force has to deal with 1.5 million phone calls over and above the emergency calls every year, and rightly so. Does my right hon. Friend know that, under the previous Government, the police spent more time on paperwork than on patrolling the streets? That is wrong.

Nick Herbert: I appreciate the burden that non-emergency calls place on police forces. The Government are investigating how we can take forward a plan for a national non-emergency number, which I think will improve the service to the public. We are committed to reducing bureaucracy. We have already scrapped the policing pledge and the previous Government's targets. We want to ensure that police officers can be out on the streets where the public want to see them.

Karen Lumley: I understand that in my constituency of Redditch, much progress has been made on reducing the time that police spend on administrative tasks, and I appreciate that paperwork is necessary. However, the number of robberies and other theft offences has risen in Redditch since 2007. Does the Minister agree that such crime could be significantly reduced if the police were given more time on the beat and spent less time filling in forms?

Nick Herbert: I agree with my hon. Friend and understand her concern about those crimes. A recent report of the inspectorate of constabulary found that the police were visible and available to the community for an average of only about 10% of the time because they are too tied up in bureaucracy. We must tackle that.

Chris Leslie (Nottingham East) (Lab/Co-op): Will the Minister start to collect statistics on how long the police have to wait in court to give evidence? If his Government start slashing the Crown Prosecution Service budget, closing courts and reducing civilian officers, will that waiting time not grow longer?

Nick Herbert: The fact is that we have one of the most expensive criminal justice systems in the world. The test of its effectiveness is not the amount of money that we spend on it, but how efficient it is. Tomorrow I shall discuss with the inspectorate of constabulary the administrative and bureaucratic obstacles that impact on the police in inefficient court processes, which we must tackle.

Immigration Cap

7. **Lorely Burt** (Solihull) (LD): What steps she plans to take to implement the proposed cap on net immigration. [13088]

The Minister for Immigration (Damian Green): The limit on work-based routes is being implemented in three stages: first, consultation on the annual limit; secondly, the introduction of an interim limit, which took effect on 19 July in order to prevent a surge in numbers in advance of the final limit; and thirdly, the full annual limit which will be implemented in April 2011.

Lorely Burt: I am grateful for that answer. It is very important that we are mindful that there are a lot of unemployed British people, and that they need jobs. It is important that jobs go to British workers and EU citizens. However, will the Minister reassure me that if we reach the cap at the other end of the spectrum, where there are highly skilled jobs in specific areas, we have the ability to exercise flexibility?

Damian Green: My hon. Friend makes two very good points. That is precisely the balance that we seek to strike. An over-reliance on migrant labour has done nothing to help millions of unemployed British citizens, who are often low-skilled, who deserve the Government's help to get back to work and to improve their skills. At the same time, I am happy to reassure her that the limit will not stop the brightest and the best coming to the UK. Immigration has enriched our culture and strengthened our economy, but it must be controlled so that people have confidence in the system. That was the failure of the previous Government, and this Government will redress it.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): On control of immigration, will the Minister put an immediate stop to the UK Border Agency's plan to ship the Ghaemi family—mother, daughter and young son—from my constituency to Iran a week tomorrow? The two women will undoubtedly be exposed to the possibility of being flogged, tortured, imprisoned or stoned. Is it not intolerable that UKBA should plan to do that, and does the Minister want that on his conscience?

Damian Green: The right hon. Gentleman is always energetic in pursuing individual cases for his constituents, and I will of course look closely at that one, as he knows I always do.

Nicholas Soames (Mid Sussex) (Con): May I congratulate my hon. Friend on his Department's work on this difficult matter? Does he agree that one of the most important steps he could take is to break the link between people coming to work here and people's ability to settle here? That would very substantially reduce numbers.

Damian Green: My hon. Friend has done distinguished and sterling work on immigration with the all-party group on balanced migration in the past few years. I hope to reassure him by saying that in the speech I will make at the Royal Commonwealth Society this evening, I will make the point that we need to look at all routes to migration—not only the work route, but the study route and other routes that lead to settlement—so that we can achieve not an immigration policy that is discussed in the usual way, when we ask whether it is tougher or more liberal, but a smarter immigration policy. That is what this country needs.

Mr Phil Woolas (Oldham East and Saddleworth) (Lab): I welcome the Minister's remarks on the relationship between temporary and permanent migration. Will he confirm that it is the Government's intention to go ahead with the previous Government's plans for a points-based system for citizenship, which would help to reach exactly the objectives that the hon. Member for Mid Sussex (Nicholas Soames) set out, on behalf—if I may say—of Migrationwatch UK?

Damian Green: I am grateful to the hon. Gentleman for that question, not least because he and I debated the details of the system when the Bill in question was considered, when he was standing at this Dispatch Box. Although I accept the idea that we need a better system for allowing people to proceed to settlement or full citizenship, I was not convinced that the system that the

previous Government proposed was anything other than a bureaucratic nightmare. I can assure him that I am still looking carefully at the details so that we can have an effective system that does not place too great a burden on the voluntary sector, which, as I said at the time, I thought his system did.

Philip Davies (Shipley) (Con): How will the numbers of uncapped immigration from the European Union affect the level of the cap for numbers from outside the EU? Given that the Government support Turkey's entry into the EU, can he tell us what estimate they have made of the number of immigrants we will get from that country?

Damian Green: I am happy to reassure my hon. Friend that this Government, unlike the previous one, would introduce transitional arrangements for any new country entering the EU, so we would have much greater control over the numbers than the previous Government did when the EU expanded with the accession of the A8 countries four or five years ago. In fact, over time migration within the EU evens out, and even now the vast majority of immigration to this country comes from outside the EU. That is the area on which the Government will concentrate to ensure that we have sustainable numbers coming to this country.

Police Funding

9. **Mary Creagh** (Wakefield) (Lab): How much central funding for police forces she plans to provide in 2011-12. [13090]

The Minister for Policing and Criminal Justice (Nick Herbert): Future funding for the police service will be announced in the spending review, which reports on 20 October. I cannot speculate on the outcome of this review, but the Government's priority is to cut the deficit, and the police must play their part in achieving this.

Mary Creagh: I thank the right hon. Gentleman for that reply. He has already cut the police budget in year by £125 million, the equivalent of approximately 4,000 police jobs. If he is to make a 25% cut as the comprehensive spending review requires, it will be a cut of some £1.1 billion, the equivalent of some 40,000 police jobs. Can he confirm that that is the order of magnitude of the cuts that he is looking at? A simple yes or no will do.

Nick Herbert: The hon. Lady is just speculating. In relation to the in-year cut to which she objects, it is important to understand that it represents less than 1% of what the police will spend this year, and our view is that the police can find those efficiencies and make the savings. In relation to further cuts, there will have to be savings, but the independent inspectorate of constabulary said a few weeks ago that police forces could save more than £1 billion a year—equivalent to 12% of spending—without having an impact on the front line.

Keith Vaz (Leicester East) (Lab): This morning, at the invitation of the hon. Member for Rochester and Strood (Mark Reckless), I visited Medway and was shown two innovative, award-winning schemes pioneered by the police there to combat prostitution and to ensure effective offender management. The chief constable of Kent told me that if the envisaged cuts of 20% are put in place, 1,500 jobs will be lost in Kent and £35 million will come off his budget. Will the Minister give us an assurance that the schemes that I saw today, and others all over the country, will be protected? Could he at the very least give police authorities an early idea of the budget constraints they will have to deal with, as 25 October is quite a long way away?

Nick Herbert: The right hon. Gentleman invites me to speculate ahead of the spending review outcome, and he knows that I cannot do that. We will know fairly shortly what sums of money will be available to police forces; but it will be necessary for them to make savings, and it will be up to chief constables to achieve greater efficiencies and more collaboration between forces. The inspectorate is clear that those efficiencies can be made.

Mr David Hanson (Delyn) (Lab): Could the right hon. Gentleman tell the House what bid he has made to the Treasury for police funding for future years? How many fewer police officers does he expect to see on the streets in two years' time if the proposed settlement is achieved? Ultimately, is he battling for the police or implementing the axe for the Treasury?

Nick Herbert: What is clear is that the Opposition still have not faced up to their responsibility for bequeathing us the fiscal deficit. They left us with £44 billion of unspecified spending cuts. The shadow Home Secretary told "The Daily Politics" show on 20 July, in debate with me, that they would have cut by £1 billion, by 12%. But Labour voted against a spending cut of 0.5%. It demonstrates that it—

Mr Speaker: Order. I am grateful to the Minister. "The Daily Politics" is a fascinating programme, but I do not want to hear about the dilations of Opposition spokesmen on it, because the purpose of Question Time is to hear about the policies of the Government.

Health Professionals (Language Requirement)

10. **Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): What discussions she has had with the Secretary of State for Health on steps to ensure that the standard of English required of migrant health professionals is adequate for the purpose of safe clinical practice. [13092]

The Minister for Immigration (Damian Green): I have regular exchanges with my colleagues on matters relating to migration policy. The Government are committed to seeking to stop foreign health care professionals working in the NHS unless they have passed robust language and competence tests. Migrants coming in under the points-based system are already required to meet language tests. The specific criteria for eligibility to practise medicine in the UK are a matter for the Secretary of State for Health.

Dr Poulter: Is the Minister aware of British Medical Association research showing that 60 to 70% of medical personnel employed by medical locum agencies are recruited from overseas and that many do not have English as a first language? We have already seen the tragic consequences of that in the east of England, with the case of Dr Daniel Ubani. Can the Minister assure me that he will work with the Department of Health to ensure that medical locum agencies take a much more robust approach to recruitment in future?

Damian Green: I am indeed aware of the problem to which my hon. Friend refers, a problem that has an immigration aspect and, obviously, an aspect for the Department of Health. Non-EU workers who work as agency workers would not normally qualify under tier 2 —the work-based route of the points-based system—as they would not be filling a substantive vacancy. Such workers may have arrived here by other routes, such as tier 1 of the points-based system, in which case their language skills would be checked, or as a spouse, in which case they would not. The problem illustrates why efforts to check the language skills of health professionals need to be focused on those who employ them, which is precisely what my right hon. Friend the Secretary of State for Health is doing.

US-UK Extradition Treaty

11. **Tony Baldry** (Banbury) (Con): What progress has been made on her Department's review of the operation of the Extradition Act 2003 and the US-UK extradition treaty. [13093]

The Secretary of State for the Home Department (Mrs Theresa May): The coalition agreement committed the Government to reviewing the UK's extradition arrangements worldwide, to ensure that they operate effectively and in the interests of justice. The review will examine both our extradition arrangements with the United States and our operation of the European arrest warrant. I will make an announcement to Parliament on the chairmanship and terms of reference of the review shortly.

Tony Baldry: My right hon. Friend will be aware that there is general concern that the provisions of the Extradition Act 2003 are lop-sided so far as they apply to the United States. Our relationship with the United States has always been based on mutual trust, and concerns about the workings of the Extradition Act are not helping to reinforce that mutual trust. Will my right hon. Friend give the House an assurance and an undertaking that once her review has been completed, if it demonstrates that the provisions and workings of the Extradition Act are lop-sided she will bring forward amending legislation to this House?

Mrs May: I am grateful to my hon. Friend for his observations. I reflect, as he does, on the importance of the relationship between the United Kingdom and the United States of America, but I am also aware, obviously, of comments that have been made outside the House and inside this Chamber about the extradition treaty between the UK and the USA. That is why I think it entirely right for the coalition Government to have agreed that we will not only review that treaty but address the issue more widely and review the operation of European arrest warrants, about which hon. Members—particularly my right hon. and hon. Friends—have also expressed some concerns in this Chamber. I do not wish to prejudge the outcome of the review, but, as I said, I will be making more details of the review available to the House shortly.

Sir Menzies Campbell (North East Fife) (LD): Does the Home Secretary understand that, in addition to the lop-sided nature of the legislation, there is a further issue that prejudices British citizens, namely the willingness of American courts to exercise extraterritorial jurisdiction and entertain prosecutions in circumstances where doing so would simply not be permitted in this country? Will that second issue also form part of her review?

Mrs May: Let me say to my right hon. and learned Friend that, as I have indicated, I am well aware of the range of concerns that exist in relation to the extradition treaty between the UK and the USA. That is why the coalition Government have agreed that we should have this review of the extradition treaty and take it more widely, looking at all our extradition arrangements to ensure that they operate effectively and in the interests of justice.

Duncan Hames (Chippenham) (LD): I have a constituent who has already been extradited under the treaty. In following his case, I certainly agree with recent remarks by the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), who concluded that perhaps the previous Government gave away too much. Whatever the outcome of the review, I hope that, on that point at least, the Home Secretary will be able to agree with both me and her predecessor.

Mrs May: My hon. Friend is tempting me down a route that I do not think is appropriate—to agree the outcome of the review in respect of its assessment of the current extradition treaty. That is not appropriate as it would undermine the whole point of having a review—details of which will be announced shortly—which is to ensure a proper process for considering the issues—

Mr Speaker: Order. I understand the natural temptation to do otherwise, but if the Home Secretary would face the House when she replies, it would help all of us. I think that she has concluded her response.

Recorded Crime

12. **Karl Turner** (Kingston upon Hull East) (Lab): What the recorded crime rate was in (a) 1997 and (b) 2010. [13094]

The Minister for Policing and Criminal Justice (Nick Herbert): In 1997, the police in England and Wales recorded a rate of 88 crimes per 1,000 head of the population. For the year ending March 2010, the rate was 79 crimes per 1,000 head of the population.

Karl Turner: Does the Minister share the concerns of Tim Hollis, the chief constable of my area, when he warns that cuts of 25% to his budget would lead to cuts

in officer numbers, which would mean that crime figures would be likely to increase as a result of measures taken by the coalition Government?

Nick Herbert: No, I do not agree. We believe that the police must accept their share of the savings necessary to deal with the deficit that was bequeathed to this Government by the previous Government's reckless mismanagement of the economy.

Andrew Percy (Brigg and Goole) (Con): Will the Minister confirm that during the last year of the previous Government, police numbers in the Humberside force—the one that serves my constituency and that of the hon. Member for Kingston upon Hull East (Karl Turner)—fell by 150? There are nevertheless still concerns about how to move forward on this issue. Can we have an assurance that when we eventually restructure police organisation, rural policing will be treated with as much importance as city centre policing has been in the past?

Nick Herbert: First, my hon. Friend is right that police numbers were falling in a number of forces under the previous Government, so their feigned outrage about it now cuts little ice. I understand my hon. Friend's concern about rural policing, as do many of us who represent rural areas, and we appreciate the need to ensure effective policing in both rural and urban areas.

Kevin Brennan (Cardiff West) (Lab): The Minister will have taken advice in preparing his submissions to the Treasury on the potential impact on crime of cutting police funding. What was that advice and will he share it with the House?

Nick Herbert: We do not accept that the police cannot make savings. That seems to me to be the point of difference between the Government and the Opposition on this issue. Like other public services, the police will have to spend money more efficiently. We are committed to ensuring that resources reach the front line and to doing everything we can to reduce bureaucracy, but police forces must find new ways of working—by collaborating and so forth—to ensure that they deliver good value for the taxpayer. The hon. Gentleman should understand the importance of wise spending rather than big spending.

Immigration

13. **Chris Skidmore** (Kingswood) (Con): What steps she is taking to reduce annual net immigration to the UK. [13095]

The Minister for Immigration (Damian Green): Limiting economic migration is part of the Government's plan to reduce net migration. Action will be required beyond these routes and we will review other immigration routes in due course. We are also committed to introducing transitional controls as a matter of course for all new EU member states.

Chris Skidmore: During the general election, the issue of greatest concern to my Kingswood constituents was the uncontrolled rise in immigration under the previous Labour Government. My constituents have welcomed the decision to place a cap on immigration numbers. Will the Minister ensure that this is done as soon and as fast as possible to ensure that this Government, unlike the previous one, are seriously committed to cracking down on uncontrolled immigration?

Damian Green: I am grateful to my hon. Friend for his question, which reflects the concerns of many millions of people of all political views all over the country. Britain can and has benefited from immigration, but not from uncontrolled immigration. The levels of net migration seen under the previous Government were unprecedented. That is why this Government are committed to bringing immigration down to sustainable levels by steady downward pressure on all routes to migration.

Toby Perkins (Chesterfield) (Lab): The Minister spoke about "uncontrolled" immigration, but is not the whole point of the Australian-style points system to provide sensible controls on immigration while also allowing the country to attract the skills it needs? Is it not the case that the immigration policies pursued by this Government are all about the soundbite and how the measures will be reported rather than about having effective measures to ensure that we continue to attract the skills we need while maintaining the controls put in place towards the end of the previous Government's tenure?

Damian Green: If the hon. Gentleman accuses me of engaging in soundbite politics, may I be allowed to use the Dispatch Box to advertise my Royal Commonwealth Society lecture this evening, in which I will make quite a long and detailed speech on immigration policy, to which I invite him—*[Interruption.]* I will have a word with the doorman and get him in. The points-based system was indeed a step forward, but he fails to recognise that it was nothing like enough, as we saw in the immigration figures that came out during the summer recess. Despite the assurances of Labour Ministers during the election campaign, net migration is up, at 196,000. That is too high a level and is unsustainable for this country.

Identity Cards

14. **Matthew Hancock** (West Suffolk) (Con): How much the identity cards programme has cost since its introduction. [13096]

The Minister for Immigration (Damian Green): Between April 2006 and March 2010, a total of £251 million was spent on projects to establish identity cards, second biometric passports and other related programmes. Prior to that, the Home Office spent an additional £41 million developing the policy, legislation and business case for the introduction of identity cards.

Matthew Hancock: Given the state of the public finances, many people will think that is a staggering amount of money to waste. Will the Minister say what the future saving is from scrapping the ID card scheme—not only to the public purse but to individuals—on top of the enormous cost to our civil liberties that would have been incurred?

Damian Green: There will be net savings of approximately £86 million over the next four years—*[Interruption.]*. From a sedentary position, the shadow Home Secretary describes that as "diddly squat". *[Interruption.]* He

keeps doing this: £21 million a year of public money is of no consequence to the Opposition Front Bench. On top of that, £835 million would have come out of citizens' pockets directly, as that is what people would have been forced to pay for these wretched ID cards if the previous Government's policy had been allowed to continue. Labour Members do not recognise the difference between spending public money and spending taxpayer's money that they have taken directly out of their pockets. We do recognise that distinction.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): The Minister pulls many different numbers out of his hat—the numbers seem to change often—on the savings from scrapping ID cards. As he rightly points out, more than 70 per cent. of the cost in future would have come out of the pockets of people who had chosen a voluntary card. One figure that has not come out of the Minister's hat, however, is the amount of compensation that his Department will need to pay to companies and businesses involved in developing the ID card scheme. Will he tell the House that figure now? If not, when will the House be told that figure?

Damian Green: The hon. Lady asks that question at regular intervals, and as she knows, we are in commercial negotiations with those companies. As soon as we have reached a conclusion, we will let her and the House know.

Asylum Backlog

15. **Jason McCartney** (Colne Valley) (Con): What progress her Department is making in processing the backlog of asylum applications made prior to 2010. [13097]

The Minister for Immigration (Damian Green): In 2006 a backlog of approximately 450,000 older paper and electronic asylum cases were identified—widely known as the legacy caseload. I informed the House during oral questions in June 2010 that the case resolution directorate had concluded 277,000 legacy cases up to the end of May 2010. The chief executive of the UK Border Agency, Lin Homer, updates the Home Affairs Committee on a regular basis regarding the progress made in resolving these cases. She is, I believe, due to report again to the Committee this autumn.

Jason McCartney: During a busy summer of casework in my constituency, I was astounded to meet asylum seekers who have been waiting since 2002 and 2003 to have their cases decided. Does the Minister agree that the whole system that we have inherited is a complete shambles? What will we do to get a grip of it?

Damian Green: It is indeed a shambles, and my hon. Friend need not take my word for it. Famously, it was this particular disaster that caused the former Home Secretary, John Reid, to describe the whole Department as "not fit for purpose"—a judgment with which it was impossible to disagree at the time. The answer to my hon. Friend is that we are getting through the backlog as fast as possible, and I am confident that we will conclude it by summer 2011.

Female Genital Mutilation

17. **Ann Clwyd** (Cynon Valley) (Lab): What resources her Department has allocated to enforcement of the law of female genital mutilation. [13099]

The Parliamentary Under-Secretary of State for the Home Department (Lynne Featherstone): I pay tribute to the right hon. Lady for her tireless campaigning on this extremely serious issue.

The Government are committed to developing a strategy to tackle violence against women and girls, including female genital mutilation. Legislation alone cannot eliminate the practice, so our resources will be aimed at raising awareness of the law on female genital mutilation, and of the health implications, among communities and front-line practitioners.

Ann Clwyd: I thank the Minister for her answer, but it was not satisfactory. Since 2003, when my private Member's Bill tightening legislation on the issue was passed, there have been no prosecutions, although according to health professionals and the police, the practice is increasing in this country. Events such as FGM cutting parties are taking place here. This is a crime against women. When will the Government catch the criminals?

Lynne Featherstone: I agree with the right hon. Lady—although I should point out that we came to office only recently, and that 2003 was seven years ago—and I have pursued the question of why no prosecutions have taken place since the passing of the Act in 2003.

There has been a fair amount of progress. A good many investigations are taking place, and each year there is an increase in the number of investigations. There are various reasons for the fact that no cases have proceeded to the courts. I have no doubt that if a case were referred to the Crown Prosecution Service, the CPS would proceed with it; however, some victims and their families state that the female genital mutilation was carried out before the victims came to the United Kingdom, and some victims are too young to give evidence. Problems may also be caused by diplomatic immunity and community barriers. Although female genital mutilation was banned in Egypt two years ago, nine out of 10 women and children are still being subjected to it. It is on awareness that our resources must be concentrated, but I agree that we should pursue the question of why there have been no prosecutions.

Topical Questions

T1. [13107] **Stuart Andrew** (Pudsey) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for the Home Department (Mrs Theresa May): During the recess, the Home Office presented proposals to fulfil a number of key coalition commitments, including a clampdown on rogue private sector wheel-clampers and the introduction of a system of temporary bans on "legal highs".

Stuart Andrew: Further to an answer that was given earlier, may I add my thanks to my right hon. Friend for banning the recent planned English Defence League march in Bradford? Will she join me in praising the

officers of West Yorkshire police for the professional way in which they dealt with a very difficult and potentially volatile situation? What further steps will she take to tackle extremism in this country?

Mrs May: I thank my hon. Friend for his question, which does indeed relate to one that was asked earlier. I am happy to commend the actions of West Yorkshire police, and, indeed, to commend the people of Bradford on ensuring that their community cohesion was not undermined by those who wish to create division and difference in our society. As was made clear earlier by the Minister for Policing and Criminal Justice, the Government are committed to ensuring that peaceful protest can take place, but also committed to ensuring that proper action is taken when people wish protest to be a means of causing violence and division in our community.

T2. [13108] **Toby Perkins** (Chesterfield) (Lab): During the recess I spent a day with police on the Grangewood estate in Chesterfield, meeting people there. Grangewood has suffered tremendously from antisocial behaviour in the past. The police were certain that, when properly employed, antisocial behaviour orders were an incredibly successful and effective way of reducing the incidence of antisocial behaviour. Why do we not continue to give the police a vital tool that will help them to reduce the incidence of such behaviour in their community?

Mrs May: We do indeed intend to ensure that the police have the tools that enable them to tackle antisocial behaviour, which, sadly, occurs too often in too many places, despite the last Labour Government's introduction of a wide range of sometimes complex initiatives. The figures show that too much antisocial behaviour takes place, and people know that too much of it takes place in their neighbourhoods. We are committed to reviewing the powers that are available to the police to ensure that they can deal with it effectively.

T3. [13109] **Stephen Hammond** (Wimbledon) (Con): In Wimbledon, we have a thriving language school sector and there will be widespread support for today's announcement that there will be action on overstayers on student visas, but can my hon. Friend assure me that the review that he undertakes will ensure that there is no discrimination against genuine applicants?

The Minister for Immigration (Damian Green): I am happy to give my hon. Friend that assurance. I know he and many other hon. Members on both sides of the House have reputable English language colleges in their constituencies. As he said, we are committed to introducing new measures to minimise abuse of the student visa system, and I am also able to tell him that we are looking at the English language sector as a particular priority. I have met representatives from the colleges in that sector and the Members representing them here. I have listened to their concerns about the current arrangements, which were introduced by the previous Government, and I will make an announcement about this shortly.

Emma Reynolds (Wolverhampton North East) (Lab): If the Home Secretary and the Government are serious about reducing and eradicating violence against women, why is it that they have only recently decided to opt out of a new European directive to combat human trafficking?

Mrs May: We are indeed, committed to ensuring that we take action against violence against women, and I remind the hon. Lady that the last Labour Government took 12 years to develop a strategy on that. We will produce our strategy on ending violence against women within one year of coming into office, and it will cover a wide range of subjects. In looking at European Union directives, I take a very simple approach: is signing up to a particular directive to the benefit of the United Kingdom? Happily, most of the provisions in the European directive on human trafficking are already being acted on by the United Kingdom, because we take that issue extremely seriously.

T4. [13110] **Nick de Bois** (Enfield North) (Con): Last week, Brooke Kinsella visited the Corner House youth project in Stockton, which has been very successful in highlighting, through talks and special activities, the dangers associated with knives. Will the Minister consider implementing similar programmes in constituencies such as mine which, tragically, have only recently once again had a serious knife crime incident?

The Minister for Policing and Criminal Justice (Nick Herbert): The Government are grateful for the work of Brooke Kinsella in considering how we can deter young people from carrying knives, and she will be reporting to us later this year. We are interested in successful schemes such as that which my hon. Friend describes, and if he will send me further information on it, I will gladly study it.

Clive Efford (Eltham) (Lab): Does localism extend as far as consulting local communities about any proposals to cut safer neighbourhood teams?

Mrs May: In relation to the police and localism, we are ensuring that there is a more direct link between local people and policing in their community through the introduction of the ability for them to elect a directly accountable police and crime commissioner whose responsibility it will be to ensure that local policing delivers what local people want. We will also ensure that, through neighbourhood meetings and crime maps, people are aware of what is going on in their community and are able to hold the police directly accountable for what is happening in it.

T5. [13111] **Michael Ellis** (Northampton North) (Con): Last week on ITV a programme about community payback showed offenders on community payback smoking cannabis and not being properly supervised. How can we be sure that community payback means exactly that?

Nick Herbert: I am sure that hon. Members on both sides of the House who saw that programme will have been angered, as I was, by the scenes depicted where offenders were, frankly, sticking two fingers up at the criminal justice system and smoking cannabis. They were not being properly supervised. That is being investigated, and we must have confidence that these community sentences are administered rigorously.

Paul Goggins (Wythenshawe and Sale East) (Lab): When the Home Secretary cut the police budget for this year she included cuts to vital counter-terrorism work. Will she take the opportunity to create some common ground across the Chamber by sending out a strong message to terrorists that she will protect counter-terrorism funding in the budget for next year?

Mrs May: I can assure the right hon. Gentleman that this Government will ensure that we maintain our fight against terrorism. As he says, this is something on which views are shared across this Chamber; all Members of this House want to see us combat the threat of terrorism effectively. We will certainly do all that we can to do that.

T7. [13114] **Mr David Ward** (Bradford East) (LD): Will the Secretary of State tell us what representations have been received from police and members of the youth offending teams regarding their concerns about youth offenders who do not comply with the licence conditions, in particular the community element, of detention and training orders?

Nick Herbert: I am not aware that we have received any representations about these orders, but the same argument as before applies: it is essential that they are administered properly, that they are completed and that the public can have confidence in sentences containing a community element. We will be publishing a sentencing review later this year, and I will also discuss these issues with the Youth Justice Board.

Mr Denis MacShane (Rotherham) (Lab): Has the Home Secretary read Saturday's *Yorkshire Post* and the appeal made by the Archbishop of York, on his knees, as it were, to the Government asking them to opt in to the EU directive on sex slave trafficking. The Home Secretary is right to say that there are many measures in law in this country that deal with that, as there are in other EU member states. However, the point is that we need to send a signal to the pimps and traffickers that we are co-operating at a European level. It took three or four years to get the Council of Europe convention adopted—that was against the opposition of the Home Office in the previous Government. Do not stand on the side of the pimps and traffickers; stand with the Archbishop of York and the victims of this terrible trade.

Mrs May: Sadly, I did not read the *Yorkshire Post* on Saturday—I was far too busy reading the *Maidenhead Advertiser*—but I can assure the right hon. Gentleman that I am aware of the comments made by the Archbishop of York on this matter. I know that the right hon. Gentleman has, over a number of years, taken this issue extremely seriously and has spoken up on behalf of women who have been trafficked into the sex trade in this country. It is right to say that we need to take all the action that we can to combat that terrible, terrible trade. However, I repeat what I have said in answer to an earlier question: most of the elements of the EU human trafficking directive are being adopted already in the United Kingdom, because we all take this issue very seriously.

Several hon. Members *rose*—

Mr Speaker: Order. Time is running out and brevity is required.

T8. [13115] **Dr Julian Lewis** (New Forest East) (Con): Has the Home Secretary had an opportunity to take forward the suggestion of the anti-terrorism expert, Dr Marc Sageman, that the transcripts of trials where terrorists are convicted should be published in full, in order to educate communities of the stupidity, moral poverty and criminal hatred of the people convicted in such cases?

Mrs May: I thank my hon. Friend for his question, which concerns an issue that he raised with me on the Floor of the House on 13 July. I am grateful for the letter that he sent me to follow up on that exchange, and I have passed that correspondence on to the Ministry of Justice, which is responsible for considering the publication of trial transcripts and is examining the possibility of making available more information—more transcripts—about remarks made by judges when sentencing. The Under-Secretary of State for Justice, my hon. Friend the Member for Reigate (Mr Blunt), will be in touch with my hon. Friend the Member for New Forest East (Dr Lewis) on this matter shortly.

Lilian Greenwood (Nottingham South) (Lab): Police community support officers have become an essential part of local communities in Nottingham and elsewhere, so what reassurance can the Minister offer on this matter to my constituents, who are worried that the cuts in policing proposed by the Government will lead to a reduction in their number?

Nick Herbert: We share the hon. Lady's support for PCSOs, which we believe are an important part of the policing family. We are determined that police forces should make efficiencies and savings, and that the front line of policing will be protected.

T9. [13116] **David Morris** (Morecambe and Lunesdale) (Con): May I ask my hon. Friend the Minister to look into the case of one of my constituents, who is apparently being deported for working for too many hours in a part-time job and losing her working visa in this country?

Damian Green: I am grateful to my hon. Friend for that question. He will understand that I cannot comment on the case on the Floor of the House, but if he wishes to write to me, I will of course look into it and get back to him as soon as possible.

Mr James Gray (North Wiltshire) (Con): The Minister will be aware of the awful case, widely reported at the weekend, of Sergeant Mark Andrews of the Wiltshire constabulary who was convicted of a serious assault on my constituent, Miss Pamela Somerville, when she was incorrectly in police custody. Will Ministers take a look at the rules, regulations and protocols covering police cells to make sure that that kind of outrageous event cannot occur again?

Nick Herbert: It is essential that offenders taken into custody are treated and supervised properly. I will happily look at the matter and ensure that we have adequate systems in place to ensure that is the case.

Greg Mulholland (Leeds North West) (LD): In light of the Deputy Prime Minister's very welcome announcement that the child and female wing of Yarl's Wood will be closed, may I ask my right hon. and hon. Friends what plans there are to look at the long-term role and future of Yarl's Wood as a whole?

Damian Green: My hon. Friend is correct. At the moment, we are looking at alternatives to detention for children. Yarl's Wood is, as he knows, used for the detention both of single women and of women with families. It is our intention to minimise the detention of children in the future as a whole and, therefore, that aspect of Yarl's Wood's use will disappear, but clearly not its use for adult women.

Sarah Newton (Truro and Falmouth) (Con): Will my right hon. Friend join me in offering the warmest congratulations to the Prime Minister and his wife on the safe delivery of their daughter, Florence Rose Endellion, at the Royal Cornwall hospital in my constituency? Will she join me in thanking the staff at the hospital for their kindness and care, given not only to the Camerons but to all those visiting Cornwall for their holidays who find themselves in need of the NHS?

Mr Speaker: Order. I am sure that somewhere in that eloquently and elegantly phrased question the hon. Lady wanted some sort of response on police matters—perhaps police attendance, police security or something of that sort.

Sarah Newton: Indeed, Mr Speaker.

Mr Speaker: I am grateful to the hon. Lady.

Mrs May: Thank you, Mr Speaker. I am indeed very happy to join my hon. Friend in congratulating the Prime Minister and his wife Samantha on the safe delivery of their daughter, Florence, who as my hon. Friend said has a Cornish name as well. I am sure that the Prime Minister and his wife were very pleased to have been protected and kept safe while they were in Cornwall by the appropriate local constabulary.

Several hon. Members *rose*—

Mr Speaker: Order. All good things come to an end.

Phone Tapping

3.32 pm

Mr Tom Watson (West Bromwich East) (Lab) (*Urgent Question*): To ask the Secretary of State for the Home Department if she will make a statement on the Metropolitan police investigation into phone hacking by the *News of the World* newspaper.

The Secretary of State for the Home Department (Mrs Theresa May): In December 2005, the Metropolitan police began an investigation focusing on alleged security breaches within telephone networks after concerns were raised by members of the royal household at Clarence house. That investigation resulted in the prosecution and conviction of the *News of the World* royal editor, Clive Goodman, in 2007 for unlawfully intercepting the phone messages of staff in the royal household. A private investigator, Glenn Mulcaire, was also convicted and jailed for intercepting the phones of a number of people.

That investigation has already been reviewed by the Metropolitan police, the Director of Public Prosecutions and the Crown Prosecution Service, who all concluded that the investigation was proper and appropriate. The Select Committee on Culture, Media and Sport also previously examined the scope and nature of the police investigation, and the previous Government updated the House on these matters in July 2009 and took no further action. Hon. Members will be aware that there have recently been allegations connected to that investigation in *The New York Times*.

Any police investigation is an operational matter in which Ministers have no role. I understand that the original investigation was complex and was informed by high-level legal advice. As a result of that investigation, as I have said, two individuals were successfully prosecuted. The police have made it clear that during the investigation there was early and regular consultation with the Crown Prosecution Service, so that the lines of inquiry followed were likely to produce the best evidence. The CPS had full access to all the evidence gathered, and the final indictment appropriately represented the criminality uncovered. The Metropolitan police have indicated that if there is further evidence, they will look at it. That is the right course of action, and it is right for the Government to await the outcome.

Mr Watson: Claim No. 1: there is no new evidence; there is. Claim No. 2: people were cleared by the Culture, Media and Sport Committee; they were not. Claim No. 3: a single, rogue reporter was responsible; he was not—the inquiry heard that a second *News of the World* reporter, Ross Hall, transcribed illegally hacked phone messages. He has not been interviewed by the police. He sent the now notorious e-mail to *News of the World* chief reporter Neville Thurlbeck, reporter No. 3, who has not been interviewed by the police. Last week, former *News of the World* reporter Sean Hoare testified that when he worked for the paper his bosses instructed him to hack into phones. He has not been interviewed by the police.

A fifth reporter, Sharon Marshall, confirmed to *The New York Times* that she witnessed phone hacking while working for the *News of the World*. As far as we know, she has not been interviewed by the police. Last week, News International confirmed that a sixth reporter has been suspended for alleged phone hacking. As far as we know, he has not been interviewed by the police.

John Yates said that he had interviewed many reporters. Well, who? How many people were on Mulcaire's target lists? How many were notified that their name was on the lists? How many phone numbers, PINs and suspected computer passwords were on the lists? What other personal and private information was recovered? Most importantly, who decided, according to what criteria and on whose authority, which victims were investigated and which were not, and who was notified?

Can the Home Secretary confirm that former Prime Minister Tony Blair has formally asked Scotland Yard whether his phone was hacked into? The integrity of our democracy is under scrutiny around the world; the Home Secretary must not join the conspiracy to make it a laughing stock.

Mrs May: I say two things to the hon. Gentleman. First, he says that there is new evidence. As far as I can see, allegations have been made in a newspaper. The Metropolitan police have made it clear that if there is fresh evidence, they will consider it. Secondly, as Home Secretary I consider it appropriate that the Government take the view that it is for the Metropolitan police to decide what is the right course of action on an operational matter. As I said in response to the urgent question, it is appropriate for this Government to wait for the outcome.

Mr John Whittingdale (Maldon) (Con): As the Home Secretary indicated, the Culture, Media and Sport Committee spent a considerable time examining this matter in the previous Parliament. We reported our conclusions to the House and we stand by them. We certainly found it very difficult to believe that Clive Goodman was the only member of the *News of the World* newsroom who was aware that phone hacking had been carried out by Glenn Mulcaire, but we found no evidence to suggest that the then editor knew of it. If there is credible new evidence, that would obviously be a matter for the police, but perhaps the Home Secretary could give an assurance that the Select Committee will be informed of the outcome of any investigation.

Mrs May: I am grateful to my hon. Friend for his intervention. It is helpful of him to put before the House what happened in the Select Committee inquiry on the matter. As I have said, it is for the Metropolitan police to consider fresh evidence, if any comes forward, and I am sure that the Select Committee will be kept informed of any developments.

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): Mr Justice Gross said in the case of Mulcaire and Goodman that it was not about press freedom, but about a

"grave, inexcusable and illegal invasion of privacy."

Last year, I was assured that the Metropolitan Police Service had not received any allegations in respect of other *News of the World* journalists. I was also told that the Metropolitan police had taken all proper steps to ensure that where there was evidence of phone tapping, or any suspicion of it, the individuals concerned would be informed.

The Home Secretary will be aware of the claims by *The New York Times* to have spoken to over a dozen former *News of the World* reporters, and to at least one of its former editors, who say that phone tapping was pervasive. Furthermore the hon. Member for Maldon (Mr Whittingdale), a very distinguished Chair of the Culture, Media and Sport Committee, said:

"There was simply no enthusiasm among Scotland Yard to go beyond the cases involving Mulcaire and Goodman. To start exposing widespread tawdry practices in that newsroom was a heavy stone that they didn't want to try to lift."

Does the Home Secretary agree that this stone has to be lifted, and that she must subject the actions of the Metropolitan police in this case to greater scrutiny in the light of this allegation and the new revelations from *The New York Times*? The original investigation, we are told, uncovered 2,978 mobile phone numbers of potential victims and 91 PIN codes. Can the right hon. Lady ascertain how many of the people concerned have now been informed?

When I was Home Secretary dealing with this case, there was nobody anywhere in Government who was implicated. Now there is. The Home Secretary and the Deputy Prime Minister have lectured the House many times about their perception of the surveillance state created by the previous Government. It appears that they may have their very own expert on the matter in charge of Government communications. Can she assure me that Andy Coulson will not be involved in any way in the Government's response to the latest allegations? Does she agree with her right hon. Friend the Secretary of State for Energy and Climate Change, who told Parliament last year that

"it is extraordinary that the Leader of the Opposition, who wants to be a Prime Minister, employs Andy Coulson who, at best, was responsible for a newspaper that was out of control and, at worst, was personally implicated in criminal activity"?

"The exact parallel",

said the right hon. Member for Eastleigh (Chris Huhne),

"is surely with Damian McBride. If the Prime Minister was right to sack him, should not the Leader of the Opposition sack Andy Coulson?"—[*Official Report*, 9 July 2009; Vol. 495, c. 1132.]

I agree with those sentiments expressed by the right hon. Lady's Cabinet colleague—does she?

Mrs May: I will take first the issue that the shadow Home Secretary raised about the number of people involved who may or may not have had telephone calls intercepted. Assistant Commissioner Yates made it clear in his interview on the "Today" programme this morning that there are—*[Interruption.]* Labour Members may tut, but Assistant Commissioner Yates was interviewed on the matter this morning and made it clear that there is often a misunderstanding between somebody's name appearing on a list and that person assuming that they have therefore had their phone intercepted. He made it clear—*[Interruption.]*

Mr Speaker: Order. The House must exercise a degree of self-restraint. I am trying to help the House by facilitating an exchange on this important matter. The responses of the Home Secretary must be heard.

Mrs May: Thank you, Mr. Speaker. I can quote from that interview, where Assistant Commissioner Yates said:

"There's a misunderstanding here which suggests just because your name features in a private investigator's files, you have been hacked."

He went on to explain that that was not the case.

The right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) also raised the issue in relation to Mr Coulson. As my hon. Friend the Member for Maldon (Mr Whittingdale) has made clear, when the Culture, Media and Sport Committee investigated the matter, it concluded:

"We have seen no evidence that"

the then editor

"Andy Coulson, knew."

That was the decision taken by the Select Committee of the House.

As the right hon. Member for Kingston upon Hull West and Hessle said, he looked at the issue last year. He looked at what had happened and the way it had been handled, and he said that he was reassured.

Mr Adrian Sanders (Torbay) (LD): As a member of the Select Committee, I recall that we had evidence that hundreds of people who are the victims in the matter appeared on lists. They would like to know whether information was illegally gathered from them, and the Metropolitan police will not tell them. Secondly, they would like to know what information was illegally gathered and with whom that information was shared. Surely the only way of getting to the bottom of this is a proper judicial inquiry so that people are compelled to give evidence and they give that evidence on oath.

Mrs May: I say to my hon. Friend that the matter has been investigated by the Metropolitan police, who did so in very close co-operation with the Crown Prosecution Service and with leading counsel. The matter has also been looked at by the Select Committee of the House. The findings of that Select Committee are clear. The findings of the Metropolitan police at the time that they investigated the matter and then looked again at it last July are also clear. Two individuals were prosecuted as a result of that investigation. The Metropolitan police have made it clear that if fresh evidence is there, they will look at that fresh evidence.

Frank Dobson (Holborn and St Pancras) (Lab): Does the Home Secretary agree that, in circumstances in which Members of this House may not have their telephone communications intercepted by the police or the security service, it would be totally unacceptable for their communications to be intercepted unlawfully by newspapers? Does she accept, on the evidence of what has been said in the House this afternoon, that there has been a distinct lack of zeal on the part of the Metropolitan police in looking into these accusations?

Mrs May: Far from that, the Metropolitan police investigated these matters when they were first raised. The matter was considered again in July 2009, when the then Policing Minister, on behalf of the then Home Secretary, who was absent from the House that day, came to the House in response to an urgent question and, as a result of that, indicated that the Labour Government were taking no further action in relation to the matter.

Philip Davies (Shipley) (Con): Does my right hon. Friend agree that the shadow Home Secretary let the cat out of the bag by showing that this is a rather thinly

[Philip Davies]

veiled attempt to try to make as much political capital as possible instead of actually trying to get to the bottom of what happened? Everything that we have heard today has been thoroughly covered in the Select Committee report; there is absolutely nothing new. We took up the concerns about the Metropolitan police's investigation at the time, when Assistant Commissioner Yates said, regarding the failure to conduct wider interviews during our Select Committee hearings:

"perhaps in 2006 it ought to have been done; I do not know, but in 2009 that is going to take us absolutely nowhere."

Can my right hon. Friend ensure that we do not waste any more time and effort on trying to make political capital out of flogging an old horse?

Mrs May: My hon. Friend has referred to the Select Committee report's findings on this matter, to which I and others have also referred. As for his initial observations about the reasons behind this issue, I simply say that those who are watching will see the nature of and manner in which some of the points are being raised by Labour Members of Parliament.

Chris Bryant (Rhondda) (Lab): The trouble is that the police have not investigated even where there is new information and new evidence. Last summer, I wrote to the Metropolitan police and asked whether, to their knowledge, from the material that they had gained from Mr Mulcaire, I was a person of interest to him. They replied that I was, and they suggested that I ring my mobile company, which then informed me that my phone had indeed been interfered with. I told the police this months ago; they have done absolutely nothing about it.

I say in all seriousness to the Home Secretary that there may well be dozens of right hon. and hon. Members whose phones have been intercepted—several people on the Government Front Bench at the moment, as well as those on the Opposition Benches. Surely the least that she could do is write to the Metropolitan police to ask them to notify every single right hon. and hon. Member who was a subject of that investigation of the fact that they were involved, and then they can choose whether to investigate further.

Mrs May: At the time of the investigation, the Metropolitan police made it clear that those people whose phones they believed had been intercepted were contacted by members of the Metropolitan police. The hon. Gentleman has had an exchange with them on this matter. I come back to the point that I made earlier: the police have said on many occasions that if fresh evidence were to come forward they would look at it. It is not for the Government to look at that evidence; it is for the Government to await the outcome of any such investigation should that arise.

Stephen Barclay (North East Cambridgeshire) (Con): In terms of what the Metropolitan police have and have not said, can my right hon. Friend confirm that they have now made it clear, on the record, that the press department of the Metropolitan police in no way interfered with the handling of this case?

Mrs May: I am grateful to my hon. Friend for that point. Last year, when Home Secretary, the shadow Home Secretary looked at the issue and the then Government were absolutely clear that there was no need to take any further action in relation to the investigation by the Metropolitan police.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): The Home Secretary has repeatedly prayed in aid the Select Committee report in support of her decision not to take any further action. I have been a member of the Foreign Affairs Committee and have experience of how Select Committees can go only so far. When judicial reviews are then conducted, however, all sorts of evidence suddenly comes out to which Select Committees simply have no access. I urge the Home Secretary not to take comfort from the Select Committee but to make further inquiries and force the Metropolitan police at least to take some serious action rather than hiding behind procedure.

Mrs May: As I indicated earlier, such operational matters about whether to investigate particular individuals are for the police. We should jealously guard the operational independence of the police. I say to the hon. Lady, and to any other right hon. or hon. Members on the Labour Benches who think that I as Home Secretary should take it upon myself to tell members of the police force who they should or should not investigate, that that is a very slippery slope down which neither I nor this Government intend to go.

Tony Baldry (Banbury) (Con): Does my right hon. Friend agree that the straightforward fact is that the Metropolitan police can investigate, the Crown Prosecution Service can advise that there should be a charge, and prosecuting counsel can draft an indictment only if there is supporting evidence? Does not this all turn on a simple point? If *The New York Times* or any individuals believe that they have new evidence, is it not simply a matter of their making that evidence available for the Metropolitan police to investigate and allowing the police to get on with their job?

Mrs May: A very valid point has been made. It has been made clear that if evidence comes forward, the Metropolitan police will look into it. I understand that on its website *The New York Times* is saying that it will not make new evidence available to the police.

Mr Dennis Skinner (Bolsover) (Lab): If this Government claim to be whiter than white, why did the top spinner at No. 10 Downing street learn his trade in the phone-tapping *News of the World* run by Murdoch? If this murky affair rumbles on, will the Prime Minister come and make a statement about relieving Coulson of his job?

Mrs May: I refer the hon. Gentleman to remarks that I made earlier. I simply observe that although he uses the phrase "whiter than white", it was his Government, if my memory serves me correctly, who claimed to be whiter than white.

Dr Julian Lewis (New Forest East) (Con): I am sorry that the hon. Member for Bolsover (Mr Skinner) seems to have forgotten about the existence of Alastair Campbell.

Has my right hon. Friend been given any indication at all about why people have suddenly come forward now to give evidence to *The New York Times*, given that they did not see fit to come forward at the time to give evidence to the police?

Mrs May: I have seen no explanation of why the issue has suddenly come forward in *The New York Times* at this particular time. However, as I have repeated, if evidence is available, the police have made it clear that they will investigate it. I have also said in response to another hon. Member that I understand that *The New York Times* is making it clear that it will not be bringing forward new evidence.

Mr David Lammy (Tottenham) (Lab): Can the Home Secretary tell the House what meetings or conversations the Mayor of London has had with the Metropolitan police in relation to this matter?

Mrs May: Conversations held by the Mayor of London are a matter not for the Government but for the Mayor.

John Woodcock (Barrow and Furness) (Lab/Co-op): Given the seriousness of these new allegations, many in this House and across the country will be surprised that the Home Secretary has not even shown a degree of concern about potential shortcomings in the police investigation. Is she really entirely satisfied that everything is as it should have been, or is she determined not to have a view?

Mrs May: This matter was looked into. It was looked into last year by the hon. Gentleman's right hon. Friend, the then Home Secretary. The then Government decided that no further action should be taken.

Andrew Miller (Ellesmere Port and Neston) (Lab): Has the right hon. Lady any knowledge of how many of the 91 PIN codes involved were default numbers and how many were people's own selected numbers? If she does have that, the issue is much more serious than has been indicated thus far. Default PINs can be obtained from the manufacturer, but others take sophisticated technology to obtain and only a very large operation could achieve that.

Mrs May: I will make the point that I made earlier. We are faced with a situation in which a number of allegations have been made in *The New York Times*. The Metropolitan police have made it clear that if fresh evidence is brought forward they will investigate it. As far as the Government are concerned, I believe it is appropriate for us to await the outcome.

Ian Lucas (Wrexham) (Lab): Has the Home Secretary asked whether her name is on the list?

Mrs May: No.

Chris Leslie (Nottingham East) (Lab/Co-op): Has the Home Secretary had a chance to read the report published this May by the Information Commissioner on the unlawful and widespread trade in confidential personal information, and does she agree with the Information Commissioner that there should now be a custodial sentence of up to two years in respect of the offences in question?

Mrs May: The hon. Gentleman raises an issue about sentencing, which of course is in the remit of the Secretary of State for Justice rather than the Home Department. As the hon. Gentleman will be aware, a review of sentencing is taking place, and I am sure that if he wishes to make representations to that review they will be welcomed.

Alan Keen (Feltham and Heston) (Lab/Co-op): As a long-serving member of the Select Committee on Culture, Media and Sport, I am proud of the fact that under the previous Chair and the current respected Chair, we have worked as a team irrespective of party political views. I am delighted that I have colleagues who are taking advantage of the political aspect of this matter, but may I ask the Home Secretary to ensure that she is not tempted to go on the defensive? This issue is much more important than party politics, and it has to be tackled for the sake of our democracy. I hope that she will do that.

Mrs May: I hope that the hon. Gentleman heard the response that I gave to the question that the Chair of the Culture, Media and Sport Committee asked about its being kept informed of any developments. However, it is important that as Home Secretary I am absolutely clear about where the division of action lies between the Government—a political party—and the operational independence of the Metropolitan police or indeed any other police force in this country.

Rosie Cooper (West Lancashire) (Lab): The Home Secretary referred earlier to the comments of Assistant Commissioner Yates on the Radio 4 programme this morning. The assistant commissioner also made it clear that the police have relationships with journalists, in this case from the *News of the World*. Can the Home Secretary tell me who polices that relationship and how we know whether there is any self-interest in the lack of progress on this matter? I appreciate that the Government will not want to get into that, but should the Independent Police Complaints Commission be asked to examine that relationship to ensure that nothing interferes with police matters and with justice being seen to be done?

Mrs May: The hon. Lady refers to a lack of progress on this matter, but the position is absolutely clear. The use of phone interception by a journalist at the *News of the World* was investigated, two individuals were prosecuted as a result of that investigation and the matter was looked at again in July 2009. The Metropolitan police looked very closely at the investigation in conjunction with the Crown Prosecution Service and counsel, and in July 2009 the previous Government examined the matter and decided that no further action should be taken. As regards a lack of progress today, the police have made it absolutely clear that if fresh evidence is available, they will look at it.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): As a telecommunications engineer, I have helped build such networks, so I am aware of their security gaps. That is why I am concerned that the Home Secretary

[Chi Onwurah]

does not seem to recognise the implications of the matter for everyone in the country. Such cyber-criminality could be an increasing part of all our lives, and if the police do not have the will to pursue each and every case, it is up to her to give them the tools and incentive to do so.

Mrs May: As I hoped I had made clear in response to several questions, the police have made it clear that if fresh evidence is introduced, they will look at it in relation to the case. The implicit suggestion—that somehow the police do not have the tools to examine cybercrime—is not appropriate to the matter that we are considering.

Clive Efford (Eltham) (Lab): Does the Secretary of State recall that the Mayor of London intervened in the case of the hon. Member for Ashford (Damian Green) when he received information from the Home Office? Surely, when the Secretary of State is told by an hon. Member that a phone company has told him that his phone line was compromised, but that the police had not notified him of that, she cannot be confident that the Metropolitan police have notified everybody who was subject to tapping. Surely she has a duty, on behalf of all those individuals, and for natural justice, to meet the Metropolitan police to ensure that everyone on that list is contacted and can go back and check with their phone companies.

Mrs May: The issue of contacting people who were on the list, and of whether their phones had been intercepted, was raised when the initial investigation took place and, I believe, in evidence that was given to the Select Committee and to the interviewer this morning by Assistant Commissioner Yates. The implication from several Opposition Members is that the Metropolitan police somehow failed in their duty on the matter, but they investigated the issue, people were prosecuted and they have made it clear that they will look into any further evidence that comes forward.

Mrs Madeleine Moon (Bridgend) (Lab): Last year, an elderly BBC journalist made a statement in a magazine that he had assisted in the death of a partner some years previously. The police investigated that statement. Now, several journalists and at least one Member of the House have made new statements, yet we are told that there is no new evidence. At what point will the Watergate scandal that is encompassing British politics be investigated?

Mrs May: I suggest that the hon. Lady listen a little more carefully to what I have said, which is absolutely clear. I have said that, if fresh evidence is brought forward—

Mrs Moon: It has been brought forward.

Mrs May: The hon. Lady says that fresh evidence has been brought forward. Allegations have been made in *The New York Times*, which has made it clear that it will not make any evidence available to the police.

Points of Order

4.3 pm

Jack Dromey (Birmingham, Erdington) (Lab): May I ask you to make a ruling, Mr Speaker? My hon. Friend the Member for Rhondda (Chris Bryant) has put before the House evidence that he was hacked into—*[Laughter.]* It is not a laughing matter. He had to take the initiative, and he has invited the Home Secretary to write to the Metropolitan police to find out whether any other hon. Members have had their phones hacked into. The Home Secretary has, extraordinarily, refused to do that. On behalf of the House, is that a matter that you will raise with the Metropolitan police?

Mr Speaker: It is not for me to raise the matter with the Metropolitan police. *[Interruption.]* Order. The hon. Gentleman has raised what I think is intended to be a point of order. In response, I say that there has been no breach of parliamentary order today. There is no doubt that there is considerable consternation in this place about the matter, and I granted the urgent question in recognition of that. Exchanges have taken place, and they are very clearly on the record. It is, of course, open to hon. Members from any party further to pursue those matters. It is perfectly possible that that will happen. For all I know, the hon. Member for Birmingham, Erdington (Jack Dromey) may be one of those who is keen to take up the matter in other ways on other occasions.

Chris Bryant (Rhondda) (Lab): On a point of order, Mr Speaker. Obviously, I do not wish to disagree with you, but hon. Members' security falls squarely on you along with the Serjeant at Arms. I would hope that the security of our mobile phones, internet and e-mails is a matter for you and the Serjeant at Arms. Indeed, that matter was rightly pursued a couple of years ago. It seems clear that there are dozens of Members of Parliament whose phones may have been intercepted, and about whom the police already know that there is a question, but those people—people in the Chamber—do not know whether they have been intercepted. May I suggest that either you, or, if you still feel that it should not be you, perhaps the Serjeant at Arms, might write to the Metropolitan police and say that it would better satisfy the House if any hon. Member who has been the subject of Mr Mulcaire's attentions were notified of that?

Mr Speaker: It is always a pleasure to hear the hon. Gentleman. In prefacing his inquiry with the words that he used, he reminds me of the person who begins a criticism by saying, "With great respect," meaning nothing of the kind. I simply say to him that it is not appropriate—I feel sure that he will accept this—to discuss security on the Floor of the House. He is a very experienced parliamentarian. There are all manner of ways in which matters can be raised with me and with others, and that often necessarily must be done outside of the Chamber, so I rest at this point upon what I said in response to the hon. Member for Birmingham, Erdington (Jack Dromey).

Barry Gardiner (Brent North) (Lab): On a point of order, Mr Speaker. At Prime Minister's Question Time on 21 July this year, my right hon. Friend the Member

for Blackburn (Mr Straw) asked the Deputy Prime Minister, in the light of the latter's recently published letter to Mr Graham Honeyman of Sheffield Forgemasters, to correct the statement that he made to the House on 22 June that the owners of the company had not wished to dilute their shareholding in the business. The Deputy Prime Minister failed to do so on that occasion, and the impression was left that although a mistake had been made, it was an honest one.

Mr Speaker: Order. I am afraid that I must at this point interrupt the hon. Gentleman, because from what he is saying, my strong sense is that he has written to me on the matter. If I surmise correctly that he has done so, I assure him that I will respond in writing, but at this point, I shall leave it there. I am grateful to him for what he has said, and I know that he will be grateful to me for what I have said.

Parliamentary Voting System and Constituencies Bill

[Relevant documents: The First Report from the Political and Constitutional Reform Committee, Parliamentary Voting System and Constituencies Bill: Report for Second Reading (HC 422); uncorrected oral evidence taken before the Committee on Thursday 15 July (HC 358-i), Thursday 22 July (HC 396-i) and Tuesday 27 July (HC 396-ii); and written evidence reported by the Committee to the House on Thursday 22 and Tuesday 27 July and ordered to be published on those dates.]

Second Reading

Mr Speaker: I have selected the amendment in the name of the Leader of the Opposition.

4.7 pm

The Deputy Prime Minister (Mr Nick Clegg): I beg to move, That the Bill be now read a Second time.

Before turning to the Bill, I am aware that since we last met, the right hon. Member for Blackburn (Mr Straw) has announced that he will be stepping back from front-line politics when the new leader of the Labour party is finally elected. I am sure that I speak on behalf of everybody when I say that I wish him, in advance, a happy semi-retirement on the Back Benches. I hope that he agrees that Second Reading of this Bill and Second Reading of the Fixed-term Parliaments Bill next week is a fitting finale or curtain call for him, given his lifelong interest and expertise in constitutional matters, which we hope he will continue to draw upon from the Back Benches.

In the run-up to the election in May, all the major parties pledged to reform politics. Some of the measures proposed were quite different from this one and others strikingly similar, but there was consensus that this Parliament has a duty to restore trust to the institution of Parliament. So the people who put us here must now see us taking the action needed to do that, ensuring that politics is transparent, making certain that we can all be held to account, and ultimately, demonstrating to them that we understand that they are in charge. This Bill is a major step towards achieving that, because it is about the legitimacy of this House and restoring people's faith in how they elect their MPs.

Mr Brian H. Donohoe (Central Ayrshire) (Lab): Will the right hon. Gentleman give way?

The Deputy Prime Minister: If I could make a little headway, I will of course give way.

The coalition has agreed a full, five-year programme of various political reforms, including fixed-term Parliaments, reform of the other place, action to clean up party funding and a new power of recall, but unless we can give people confidence in the fundamentals—in how they choose their Westminster representatives—that programme will fall short. Parliamentary elections are the foundation of our democracy, and it is vital to our political system as a whole that they are considered to be legitimate and fair. That is what the Bill seeks to deliver.

Mr Donohoe: Will the Deputy Prime Minister answer a simple question? Does he see any party political advantage in the proposal on AV?

The Deputy Prime Minister: It is impossible to predict what effect a new electoral system will have—*[Interruption.]* Well, many people have tried and they have come up with conflicting views—

Mr William Cash (Stone) (Con): The Deputy Prime Minister refers to the question of the most fundamental matters of our democracy. Does he not agree that one of those is that we subscribe to our manifestos?

The Deputy Prime Minister: As my hon. Friend knows, this Bill is the product of an agreement between the two parties in the coalition Government. It is by definition a compromise between our manifestos.

There are two major issues that we have to face. The first is the big difference between the sizes of many parliamentary constituencies, which has the effect of making some people's votes count more than others, depending on where they live. The second is the widespread concern about first past the post as the means by which MPs are elected. Therefore, the Bill will require the independent boundary commissions to redraw constituency boundaries so that they are more equally sized, and it will pave the way for a referendum next May on whether to change the voting system for the House of Commons from first past the post to the alternative vote.

Kevin Brennan (Cardiff West) (Lab): The Deputy Prime Minister mentioned that the Bill is before us today because of the deal between his party and the Conservatives in the coalition agreement. Was it part of that deal that the two measures had to be brought before the House together, because otherwise he would not get his referendum on AV?

The Deputy Prime Minister: They are simply two issues that relate to how we are elected to this House, and therefore it is natural to bring them together in the same Bill.

These proposals have rightly provoked a great deal of debate—they are matters of major significance—but while new boundaries and the prospect of a new voting system may seem radical to Members of this House, and certainly the changes will have a direct impact on each of us, these reforms are the bare minimum that any Parliament serious about political renewal must deliver. To the people we serve it is patently obvious that individuals' votes should carry the same weight, and if that means reforming the rules for drawing boundaries, that is what we must do. When a big question mark hangs over something as important as our voting system, the only way to resolve the dilemma is to let people have their say. Therefore, these are common-sense changes that are long overdue, and they are the basics that we must now get right.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Will my right hon. Friend acknowledge the all-party group for the promotion of first past the post, which I chair jointly with the hon. Member for Central Ayrshire (Mr Donohoe), and that many Members feel passionately about that tried and tested system? Will he agree to meet with the all-party group to hear our side of the story?

The Deputy Prime Minister: Of course I would be delighted to meet my hon. Friend's group. Whether we will have a meeting of minds is another matter. He feels passionately about the current electoral system, but others feel passionately that there should be a different system. Those passions should be reserved for the debate that will occur in the run-up to the referendum, and at the end of the day it is not for us to decide, but for the people of Britain to decide what kind of electoral system they want.

There are three problems with the current electoral map. Constituencies vary too much in size, they are based on information that is out of date, and there are too many of them. In our parliamentary system, MPs both represent their constituents and are their stake in who forms the Government of the day, but at the moment the will of the voters is not weighed equally. For example, last December, Manchester Central contained 85,522 electors, while Glasgow North had just 50,588, a difference of 41%. On the broken scales of our democracy, 10 voters in Glasgow North have the same weight as 17 voters in Manchester Central. That is not a single anomaly, because those differences are repeated up and down the country. As of last December, Wirral West, Edinburgh South and Wrexham had fewer than 60,000 voters. Falkirk, Banbury and West Ham had more than 80,000. That unfairness is deeply damaging to our democracy.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): The Deputy Prime Minister stresses greatly the need for constituencies of the same size, as it is a question of equality of voting. It currently takes about 35,000 votes to return a Labour MP, 37,000 votes to return a Tory MP and about 115,000 votes to return a Lib Dem MP. When we redraw the boundaries, what does he think would be a fair number to go for to return a Lib Dem MP?

The Deputy Prime Minister: As I will describe shortly, the number that we anticipate being the guidance for the boundary commissions is roughly 76,000, and we allow for a 5% margin greater or less than that in the Bill.

Several hon. Members *rose*—

The Deputy Prime Minister: I will just make a little more headway.

Equally problematic is the cumbersome process by which boundaries are drawn. The review process is lengthy and time-consuming. The last review in England took more than six years. The constituencies in place for the 2010 general election were based on data that were a decade old. At the root of this is the law governing how the boundary commissions carry out their work: the Parliamentary Constituencies Act 1986. The rules laid down in that Act are supposed to require each commission both to draw seats of equal size in its part of the United Kingdom and to have regard to considerations such as geography and community, which matter to many people. However, the scheme in that Act

is flawed. The rules are in tension with each other, and the overall effect is that dozens of seats are far smaller or larger than others.

Emily Thornberry (Islington South and Finsbury) (Lab): I wonder whether the right hon. Gentleman could enlighten us. Is Mrs Clegg aware that under the current proposed legislation, her status as an EU citizen will mean that she is a non-person when it comes to counting the size of Sheffield, Hallam?

The Deputy Prime Minister: She is aware of that, and I will remind her today.

Finally, the legislation underpinning reviews means that the number of MPs has crept up. We do not have a 650-seat House by design; it is simply a result of the flawed rules, which have a ratchet effect on the number of MPs. As a result, this House of Commons is now the largest directly elected Chamber in the European Union.

The Bill seeks to address each of those problems. New rules will demand that every constituency is within 5% of either side of a single size. Using the electoral register from last December, we estimate that this will be around 76,000 voters, as I have said. Subject to that strict requirement, the independent boundary commissions will then be able to continue to take into account the same factors as now: local geography, local authority boundaries and local ties. To guard against future misalignment of voter numbers in constituencies, boundary reviews will take place on a five-yearly basis.

Mr Edward Leigh (Gainsborough) (Con): I am sure that it is right that constituencies should be broadly the same size, and it may be right that there are too many MPs, but what is the point of wading through blood to reduce the number of MPs just to create second-rate elected Members of the other place?

The Deputy Prime Minister: I am not sure that I entirely understand the connection, but as my hon. Friend may well know, around the turn of the year we hope to publish a draft Bill, for the first time in decades—indeed, in generations—on how we will seek to reform the other place, a reform that escaped previous Administrations for a long time.

Several hon. Members *rose—*

The Deputy Prime Minister: If I could make a little bit of headway, I will of course give way. This is an important Bill and many people want to speak.

There will be only two exceptions to the new rules named in the Bill: the dispersed island groups of Orkney and Shetland, and the Western Isles. In both those cases, geographical size and remoteness make any change to the boundaries completely impractical. Orkney and Shetland was explicitly exempted in law by the Scotland Act 1998, and the Western Isles have been recognised as an exception in practice since 1918. To recognise the fact that parts of the United Kingdom are sparsely populated, no constituency will be greater than 13,000 sq km in size—just larger than the largest now, Ross, Skye and Lochaber. On that, let me clear up a rumour that seems to be doing the rounds. There are no secret Government plans to exempt Ross, Skye and Lochaber; we simply used its size in suggesting a ceiling for how large any constituency should be. However, how boundaries are drawn, including in that constituency, is a decision for the commission alone.

Mr Andrew Turner (Isle of Wight) (Con): Does the right hon. Member accept that people living in the Isle of Wight are perfectly content with one Member and that it does not need to be made smaller?

The Deputy Prime Minister: I am aware of the popularity of the current Member for the Isle of Wight, and he will know better than I do that the number of MPs representing that area has changed quite dramatically through the ages. I believe that the Isle of Wight once had eight MPs. I understand that this proposal is controversial there, but equality of size as a general rule—with the two exceptions I mentioned—seems to us to be a cornerstone of the Bill.

Mr David Davis (Haltemprice and Howden) (Con): I thank my right hon. Friend for giving way, but even those who are on side in respect of what he is trying to achieve through equalisation of the size of parliamentary seats are somewhat concerned at the speed and perhaps the brutal simplicity of the approach. Will there be scope for judicial challenge of any of the individual decisions taken by the boundary commissions?

The Deputy Prime Minister: As the right hon. Member will know, anyone can seek judicial review in normal practice, but on the criteria given to the boundary commissions, it is worth stressing that they will retain their existing ability to refer to local links, geography, county boundaries and so on, but subject to a principle of equality. That is a simple—yes, it is simple—straightforward principle of equality that we are enshrining in the legislation.

By having more frequent boundary reviews—one every five years—constituencies will be kept more up to date, reflecting changes in where people live. In order to make that possible, we are changing the consultation process. Consultation is, of course, vital, but as leading academics concluded in a report published just last week, local inquiries have become "the playthings" of political parties and have had, in practice, little impact on the commissions' final recommendations, so we will abolish local inquiries. Instead, we will triple the time that people have to make representations to the commissions to have their say—from one month to three months. Residents will have—

Mr Speaker: Order. I apologise for interrupting the Deputy Prime Minister. Let me assure him and the House that I am no authority on the subject of the equality of size, but the reason I rise is that the House should know that no fewer than 74 Back Benchers are seeking to speak in the debate, so a little self-restraint is necessary. The more noise and the longer the Front Benchers take with their speeches, the greater the delay.

The Deputy Prime Minister: Aside from these improvements, the arrangements for drawing the boundaries will remain untouched. For more than 60 years, the responsibility for drawing constituency boundaries has rested with the four independent boundary commissions. That guarantee of impartiality will remain. This is not, as some critics have sought to suggest, an elaborate

[The Deputy Prime Minister]

attempt to gerrymander the boundaries, because the Government will have no say in where the new constituency perimeters will fall.

Caroline Flint (Don Valley) (Lab) *rose*—

Mr Clive Betts (Sheffield South East) (Lab) *rose*—

Stephen Pound (Ealing North) (Lab) *rose*—

The Deputy Prime Minister: I give way to the right hon. Lady.

Mr Betts: Does he accept that in the past—

Mr Speaker: Order. It is helpful if the Deputy Prime Minister indicates clearly to whom he is giving way.

The Deputy Prime Minister: I said I was giving way to the right hon. Lady. Is the hon. Member for Sheffield South East (Mr Betts) answering to that?

Caroline Flint: I thank the right hon. Gentleman for giving way, but why has he settled on a figure that is different from the one proposed by him in the Liberal Democrat manifesto—which was to reduce the Chamber by 150, I believe—or by the Conservatives, who sought to reduce the number to 585? Has the figure of 600 been settled on because going any further in the downward direction would affect Tory and Liberal Democrat seats rather than just Labour ones, as proposed?

The Deputy Prime Minister: We settled on 600 MPs, a relatively modest cut in House numbers of just less than 8%, because it saves money—about £12 million each year—and because we think it creates a House that is sufficiently large to hold the Government to account while enabling us all to do our jobs of representing our constituencies. It also creates a sensible average number of constituents—76,000, as I mentioned earlier—that we already know is manageable because there are already 218 seats that are within 5% of that number. That is why we feel 600 is about right.

Several hon. Members *rose*—

The Deputy Prime Minister: I want to make some progress so that others can have their say later.

Some hon. Members from Scotland, Wales and Northern Ireland have also raised concerns about the likely impact in those nations of the cut in MP numbers. Of course I understand those anxieties, but our priority must be to ensure that a person's vote is of equal worth—wherever they live in the UK. If the current rules distort that, they surely need to change.

Mr David Hamilton (Midlothian) (Lab): Many in the House believe that geographical layout is as important as numerical. As cohesion is important, what discussions has the Deputy Prime Minister had with the commission about talking to the Scottish, Welsh and Northern Irish commissions? We should ensure that the change stands the test of time, and that we do not move into another cabal when we come to Scottish, Welsh and Northern Irish elections.

The Deputy Prime Minister: I agree that the change should stand the test of time. That is why the Electoral Commission, with our active support, has established a group of all the boundary commissions, with officials from the Cabinet Office and the territorial offices to ensure consistent application. As the hon. Gentleman knows, we have blended two things: a maximum geographical size of 13,000 sq km, to avoid constituencies of excessive geographical size; and the principle of equality in relation to the number of constituents.

Several hon. Members *rose*—

The Deputy Prime Minister: I will make a little more progress.

The commissions will continue to use the electoral register as the basis for their reviews. That has been a feature of the system for decades, under Governments of all shades. With registration in Great Britain at well over 90% and in line with comparable countries, the register remains the best basis for reviews. That is not to say that where people are not on the register, we should do nothing. That has been the attitude for far too long. Under-registration exists in coastal areas and the inner cities, among younger people, including students, and minority ethnic groups. There is no silver-bullet solution. We are investigating a number of solutions, including freeing up local authorities to use existing public sector databases to identify people who are not registered, and then actively encouraging them to register. We are also acting to tackle registration fraud, accelerating the shift to a system of individual, rather than household, registration—a process started by Labour Members.

Greg Hands (Chelsea and Fulham) (Con): Does the Deputy Prime Minister share my consternation that, for the first time in 50 years, under the previous Labour Government, the total UK electorate registered in this country declined when the UK population was rising—between 2001 and 2005? If Labour was serious about getting people on to the electoral register, it did a pretty poor job of doing so in government.

The Deputy Prime Minister: It is a distinguishing feature of this debate, and previous debates, that Labour Members are now very animated about matters that they did absolutely nothing about in government.

I now turn to the referendum on the alternative vote. Fewer, more equally sized and more up-to-date constituencies will help to bolster the legitimacy of parliamentary elections. However, in parallel with that step, we must address the question of reform of our voting system. Some believe that we are better served by sticking with the current system, which, they say, benefits from its familiarity and strong constituency link. Others believe that it leads to too many safe seats, giving many MPs jobs for life with only minority support from their constituents. Advocates of AV note that it would retain the current constituency link, but that it would give people more say over their vote by allowing them to rank candidates in order of preference. As a general rule, therefore, MPs would come to Westminster with the support of the majority of their voters.

Mr Denis MacShane (Rotherham) (Lab): Will the Deputy Prime Minister clarify one technical point? Do the Government propose a compulsory alternative vote as in Australia where electors have to give a vote for every candidate, or a liberal one whereby they can vote for just one candidate?

The Deputy Prime Minister: In the Bill, as the right hon. Gentleman will see, we propose an optional preferential alternative vote system: the one used in New South Wales for state elections, not the one used at federal level in Australia.

Mr Douglas Carswell (Clacton) (Con): If we are to have a referendum on electoral reform, why do we propose including only one alternative to the status quo? There is much talk of the new politics in which people, not politicians, decide. Why do we not let the voters decide what change should mean?

The Deputy Prime Minister: I accept that, on paper, a multiple-choice referendum is an attractive suggestion. For the sake of simplicity, however, it is better to present people with a simple yes or no alternative, exactly as set out in the Bill.

My hon. Friend may be interested to know that my officials have produced a simple fact sheet explaining the operation of the alternative vote system and first-past-the-post system. I will place a copy in the Library today.

Several hon. Members *rose*—

The Deputy Prime Minister: I shall make a little progress, if I may.

There are members of the Government who hold contrasting views on these systems. Come the referendum, there will be those of us who campaign on different sides. We emphatically agree, however, that the final decision should be made not by us, but by the British people. Despite our differences on this matter, that is the shared position of the Government, and I hope that the Opposition will be able to support it as well. We propose that the referendum should ask a straightforward question: do voters want to replace the current first-past-the-post system with the alternative vote system, yes or no? If there is a "yes" vote in the referendum, the alternative vote system will come into force together with the new parliamentary boundaries.

Gordon Birtwistle (Burnley) (LD): As my right hon. Friend knows, I am a new Member. When I arrived, I was surprised to learn that we already use the alternative vote system in the House. Mr Speaker was elected through that system, as are the Chairmen of Select Committees and the members of constituency Labour parties, and as the new leader of the Labour party will be. If they can have that system, why cannot the good people of this country have it in order to elect Members of the House?

The Deputy Prime Minister: That argument will, of course, take place during the referendum campaign, but my hon. Friend is right to point out that what is being suggested is an evolution rather than a revolution. It goes with the grain of our existing system of one Member per constituency. As I have said, that debate will take place during the weeks and months running up to the referendum.

Let me turn to a crucial issue which I know has elicited some controversy. The date of the poll is set for 5 May 2011. There are a number of reasons for that. First, the coalition agreement set out a commitment to hold a referendum, and it is right for us to move swiftly to meet that commitment. People have been promised the chance to decide, and they should not now be made to wait. Secondly, it makes sense to combine the referendum with the other elections that are already happening on that day.

Several hon. Members *rose*—

The Deputy Prime Minister: May I explain the issue first, and then give way?

About 84% of the United Kingdom's electorate will already have a reason to go to the polls for either local elections or elections to the devolved Assemblies. I believe that if we can avoid asking them to return to the ballot box more times than is necessary, we should. As Members will recall, we were elected just two months ago in a poll that was combined with local elections in many parts of the country.

Thirdly, combining the referendum with other elections will save a great deal of money. We estimate that across all polls on 5 May, the overall savings might be in the order of £30 million. Those savings will be shared between the referendum and the other polls. We will strive to keep costs down, and we are exploring whether further savings can be made.

Mr John Baron (Basildon and Billericay) (Con): My right hon. Friend is right to talk about trust in politics, but one of the problems with the alternative vote is the democratic con trick that it can play on voters, who can never be quite sure what they are going to get. For example, what would my right hon. Friend say to the Labour sympathisers who were encouraged to vote Liberal by the slogan "Vote Liberal and keep out the Tories"?

The Deputy Prime Minister: My recollection is that there were plenty of leaflets around from Conservatives saying "Do not vote Liberal Democrat to keep Labour out". I think that everyone played that game in the run-up to the general election.

Dr Julian Huppert (Cambridge) (LD): Is my right hon. Friend aware that only one in three Members received more than half the votes cast? Does he agree that AV would end safe seats and ensure that Members received all those votes, that it would end the distortion of people being forced to guess who would be the last two still going, and that it would provide a more positive politics than we seem to have in the Chamber?

The Deputy Prime Minister: That may well be a case for the alternative vote, but we should focus today on providing the British people with the opportunity to hear those debates and make up their own mind.

Several hon. Members *rose*—

The Deputy Prime Minister: I would like to make a bit more progress as many Members want to contribute to the debate.

I am pleased that the Electoral Commission has recognised that there are benefits to holding different elections on the same day. It is rightly concerned, as we are, to make sure that the poll runs smoothly, so we are working with it and electoral administrators to make sure that the combination of the polls works well, and we will table combination rules reflecting those discussions as an amendment to the Bill for debate at Committee stage.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I am grateful to my right hon. Friend for giving way, but he will be aware that the position of the Electoral Commission that he has just outlined is a dramatic reversal of that adopted by it in 2002. Is he also aware that one of the reasons it gave for changing its mind on the current occasion was:

"If we oppose combination but it goes ahead anyway, we then have a major role in conducting the referendum—potentially undermining our own credibility"?

It does not sound like a very strong-minded quango under these circumstances. Is it one of the quangos my right hon. Friend is thinking of chopping?

The Deputy Prime Minister: No, we are not thinking of that—at least not at present. If my hon. Friend reads the documentation provided by the Electoral Commission he will see that it has been very open about the fact that it shifted its view after having examined the international comparisons, and as he will know it concluded that

"it should be possible to deliver"

the polls scheduled for 5 May 2011. It has also highlighted a number of risks about combination—risks which we are seeking to address in close working partnership with it.

I would now like to outline briefly the effect of the substantive clauses. I know that many Members want to speak in the debate so I do not intend to describe the Bill clause by clause; there will be plenty of opportunity for that in Committee. For the moment I hope it will suffice to say that there are three main parts to the Bill: provisions for a referendum to be held, in clauses 1 to 5 and schedules 1 to 5; provisions for implementation of the alternative vote system in the event of a yes vote in the referendum, in clause 7 and schedule 6; and provisions to reform the setting of parliamentary boundaries, in clauses 8 to 11.

We have allowed for five full days for the Committee of the whole House to consider the Bill's provisions and a further two days on the Floor for Report.

Several hon. Members *rose*—

The Deputy Prime Minister: Those timings have been agreed with the Opposition. I give way on that point.

Mr Peter Bone (Wellingborough) (Con): I thought the coalition Government were opposed to programme motions and to reducing the time for scrutiny of Government, especially on constitutional matters, so why do we have a programme motion for this Bill?

The Deputy Prime Minister: The programme motion simply states that there will be five full days of debate on the Floor of the House of Commons—nothing more and nothing less. I do not think that that can be construed as a heavy-handed or intrusive approach.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): On the date, with the benefit of hindsight does the Deputy Prime Minister think that he has blown the respect agenda to smithereens? He has managed to unite opposition to AV, the boundaries and the date—he has quite sucessfully united opposition to what he is trying to do. Will he reconsider what he plans to do on the date, and thereby have some respect for elections that will be taking place in Scotland, Wales and Northern Ireland?

The Deputy Prime Minister: Those remarks seem to suggest that in addition to the votes they will be casting in any event in local elections and devolved Assembly elections, people will not be able to take a simple yes or no decision on a simple question, and I think that that is disrespectful to them.

Several hon. Members *rose*—

The Deputy Prime Minister: I would now like to draw my comments to a close to allow others to have their say.

The reforms that the Bill proposes are at once significant and simple. Ensuring that people's votes are more equal and giving voters a say over their voting system are both important reforms. They are about correcting unfairness in the way voters elect their representatives and putting power in the hands of people. If we together cannot deliver these reforms, we will have to ask ourselves what we really meant when each of us promised our constituents that we would seek to reform and strengthen our politics. We promised a new politics. Today is the day we must begin to deliver on that promise. We must make the system fair. We must put people back in charge. I commend the Bill to the House.

4.39 pm

Mr Jack Straw (Blackburn) (Lab): I beg to move an amendment, to leave out from "That" to the end of the Question and add:

"this House, whilst affirming its belief that there should be a referendum on moving to the Alternative Vote system for elections to the House of Commons, declines to give a Second Reading to the Parliamentary Voting System and Constituencies Bill because it combines that objective with entirely unrelated provisions designed to gerrymander constituencies by imposing a top-down, hasty and undemocratic review of boundaries, the effect of which would be to exclude millions of eligible but unregistered voters from the calculation of the electoral average and to deprive local communities of their long-established right to trigger open and transparent public inquiries into the recommendations of a Boundary Commission, thereby destroying a bi-partisan system of drawing boundaries which has been the envy of countries across the world; and is strongly of the opinion that the publication of such a Bill should have been preceded by a full process of pre-legislative scrutiny of a draft Bill."

May I begin by thanking the Deputy Prime Minister for his generous remarks about my voluntary decision to move to the Back Benches after 30 years on one or other of the Front Benches? I felt that 30 years was enough and it may be that after I have spoken that view will be shared by this House.

Over the period of the previous Labour Government more significant constitutional reform was carried out in 13 years than had taken place in the previous 70 years. Although some of those reforms initially generated controversy, we actively sought, and were able to achieve, a wide cross-party consensus as the proposals went through, and they will stand the test of time.

Last year, with the crisis of confidence in British politics caused by the expenses scandal, to which the Deputy Prime Minister referred, my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown), the then Prime Minister, rightly judged that the British people should have an opportunity to decide for themselves whether there should be a change in voting systems. Legislation to that effect was agreed by this House in early February, by a majority of 188. The Liberal Democrats voted with the then Government and I am grateful for their support, notwithstanding the faint praise for the referendum from the Deputy Prime Minister, who at the time—February was a long time ago—described an alternative vote referendum as a "miserable little compromise". He is now going to support the "miserable little compromise" actively—there are many other bigger miserable compromises that he has supported since then. The proposals failed to become law only when they were blocked in the other place by the Conservative party.

The Labour party remains committed to that referendum on the alternative vote. Of course, opinions on the merits of voting systems differ within parties and across them; I am in favour of AV, but many of my colleagues take a different view. Regardless of our personal preferences, the Labour party is united in its belief that the people should decide how their Parliament should be elected. Our plans were to hold a referendum no later than October next year and for there to be extensive consultation before we decided on the exact date. The right hon. Gentleman proposes by this Bill that the referendum should take place with a date set, without any prior consultation, for next May, to coincide with local and national elections. I urge him to consider carefully the legitimate concerns expressed by people of all political persuasions, inside and outside this House, about clashing the referendum with local and national elections.

The exact date of the referendum, although important, is a Committee matter. If it had been our only concern with this Bill, Labour Members would have enthusiastically supported it on Second Reading and left such matters to the Committee stage. However, in the four months since he took office, the right hon. Gentleman has shown an extraordinary capacity for making the wrong call and for maximising opposition to himself and his policies when with a little wisdom—this certainly applies in this case—he could have minimised it. He could and should have made the AV referendum the subject of a single-issue Bill. Instead he either chose to join, or was suborned into joining, that measure with one that is not directly related to it and which could and should have been put in a separate Bill.

Daniel Kawczynski *rose—*

Mr Leigh *rose—*

Mr Straw: I began my contribution at about 4.40 pm and, as Mr Speaker said, more than 70 hon. and right hon. Members wish to speak, so I am going to break the habit of 30 years and try to make a short speech. I therefore need the assistance of Members on both sides, but I give way.

Mr Leigh: To which one?

Mr Straw: The tall one.

Daniel Kawczynski: The right hon. Gentleman says that he is in favour of AV, but can he answer one simple question—the bedrock of why I am so opposed to it? I believe in one man, one vote. Under AV, some people will have two votes while others will have only one. How can that be fair?

Mr Straw: I am afraid I do not follow the hon. Gentleman's argument. I accept and respect the fact that people have many different views on this matter. He and I may be on different sides on first past the post, but we are on the same side in opposing any idea of proportional representation, or such nonsense, for elections to this House. Those are issues that can be debated during the referendum campaign and it is for the people to decide.

Mr Leigh: I agree, as is so often the case, with the right hon. Gentleman on the necessity of having this vital referendum on its own day, but as a matter of interest, as a supporter of AV does he think it will be more likely to get through if the referendum is on the same day as other elections?

Mr Straw: My opinion is that if it were combined with the local elections and the national elections in Scotland and Wales—it is a timeless truth about governance—they will be entering a period of—

Kevin Brennan: Deep unpopularity.

Mr Straw: Indeed. I suspect it would be far better to have the referendum as a single-issue referendum on a separate, dedicated day. That is not about whether the British public can cope with one or two issues at a time, but about ensuring that the issues are properly aired. There are all sorts of incredible complications about the funding limits for the parties and for the referendum campaigns when the polls take place on the same day.

Mr Tom Harris (Glasgow South) (Lab): Can my right hon. Friend shed any light on the latest budget for the referendum? I believe that before the election the Government made it clear that the referendum would cost £40 million. On 27 July, the hon. Member for South West Devon (Mr Streeter) said it would cost £9.7 million, representing a saving of £17 million, because it was being held on the same day as the other elections. On 18 August, the Deputy Prime Minister told the press that it would cost between £80 million and £100 million. Can my right hon. Friend shed any light, or are we just looking at a random selection of numbers?

Mr Straw: The parliamentary answers I gave were that the costs, on a variety of assumptions, would be somewhere between £80 million and £100 million. That was not plucked from the air and of course, if I had stayed in office, as I wish I had, we would have sought to refine the costs.

[Mr Straw]

Part 2 of the Bill is one of the most partisan proposals we have seen in recent years. It proposes arbitrarily to cut the number of Members to 600, to redraw parliamentary boundaries according to inflexible new arithmetical rules based on an electoral register from which millions of eligible voters are missing and, extraordinarily, as we have heard, under clause 10 public inquiries by the Boundary Commission into the Government's preliminary proposals are explicitly to be prohibited.

If enacted, those proposals would represent the very antithesis of the high ideals that the Deputy Prime Minister initially set out for his political reforms. They have nothing whatever to do with those high ideals. Instead, they represent the worst kind of political skulduggery for narrow party advantage. There is no need for Members on the Government Benches to take that from me. All they need to do is to look at the ConservativeHome website and the detailed statement put there today by the hon. Member for Cities of London and Westminster (Mr Field)—to coincide with this debate, I assume. He says that

"the current proposals for AV and the reduction in number of parliamentary constituencies are being promoted by Party managers as an expedient way to prevent our principal political opponents from recapturing office."

That is the truth and I am grateful to the hon. Gentleman for saying it.

Mr Mark Field (Cities of London and Westminster) (Con): I entirely stand by those words. I believe that is one of the problems with what is being proposed. However, as a matter of context, and to put the record straight, it is also fair to say that the current boundaries are entirely unacceptable and were maintained, particularly in relation to the over-representation of Wales and Scotland, by the Labour Government. Both sides have pretty dirty hands on the matter, but I very much agree with what the right hon. Gentleman said. It is quite wrong for any constitutional changes to be promoted, as traditionally they have been on both sides, simply for the narrow advantage of one side of the House.

Mr Straw: I am grateful to the hon. Gentleman for accepting that what he said this morning is what he still believes this afternoon.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op) *rose—*

Mr Straw: I will give way briefly to my hon. Friend, but then I must make progress.

Meg Hillier: Today we heard from the hon. Member for Chelsea and Fulham (Greg Hands) that the number of people on the electoral register went down after 1997; it actually went up by 2 million. At Question Time in June, the Deputy Prime Minister cited a figure for my constituency that was 18,000 short of the 72,920 people who actually voted on election day. With figures like that, can we trust anything that Government Members say when it comes to the Bill, which breaks the accountability link between voters and their MPs, who could change at every election?

Mr Straw: As I shall point out, the Deputy Prime Minister is rather forgetful of some of the facts, but let me deal with the issue of the size of constituencies, which the hon. Member for Cities of London and Westminster mentioned. We agree that constituencies should be of broadly equal size; that is the main purpose of the Boundary Commissions' work. That principle is written into electoral law, which derives not from our Government, but from Margaret Thatcher's Government in 1986.

Further legislation, designed to speed the system up, was introduced in 1992, in John Major's Administration, by the right hon. and learned Member for Rushcliffe (Mr Clarke), now the Justice Secretary. We supported that 1992 legislation, and did not divide the House on it, but it will come as no surprise to students of the Liberal Democrats' approach to life that—guess what?—they opposed that legislation. They divided the House on it, with Robert Maclennan—now Lord Maclennan—saying:

"The Bill is partisan and the way in which it has been introduced is proof enough for citizens of objectivity who are concerned about such matters."—[*Official Report*, 15 June 1992; Vol. 209, c. 696.]

He then called for discussions between the Government and the other parties.

Mrs Anne McGuire (Stirling) (Lab): Will my right hon. Friend give way?

Mr Straw: No. If I may, I shall make some progress.

We left the Conservative laws in place. To deal with the point raised by the hon. Member for Cities of London and Westminster, we never sought, and would never have sought, to change the laws relating to boundaries without broad cross-party agreement. The insinuation that we somehow contrived to secure a large gap between the average size of Labour seats and Conservative seats is wholly ill-founded. Six of 10 of the largest constituencies are now Labour, and only three of the 10 smallest are. As I say, we would have been happy to discuss with the Deputy Prime Minister sensible and fair ways of speeding up the timetable for drawing boundaries, just as we did in 1992. Unfortunately, he has put political self-interest way ahead of democratic principles. That is especially evident in his proposals to reduce the size of this House to 600 Members.

The justification for that proposal, which we heard yet again today, is that the House is allegedly too large. That claim does not withstand examination. Our ratio of elected parliamentary representatives per head of population is roughly the same as that in France and Italy; the ratio is much smaller for other EU partners such as Ireland, Sweden, Greece and Poland. Of course, our House is larger than theirs because the population is greater here, and we are not a federal state. That said, we have only 20 more Members than the Bundestag in Germany.

In any event, a more sensible basis on which to decide is to ask what level of representation is right for the United Kingdom, and to examine how the electorate and the House of Commons have changed over time. If the number of Members of Parliament had grown out of all proportion to the size of the electorate, there would clearly be a problem, but that is not the case. Today, there are 650 Members, an increase of less than

4% in 60 years. Over the same period, the electorate have grown by 25%, and the work load of Members on both sides of the House has increased exponentially; that is both the work that arises from constituents, and the work that arises from responsibilities in the House.

Perhaps that is why, in 2003, the man who today is Prime Minister argued to preserve the boundaries of his west Oxfordshire seat and made a strong plea for the size of the House of Commons to stay as it was. The right hon. Member for Witney (Mr Cameron), now the Prime Minister, said in his oral evidence to an independent local public inquiry, which existed then and existed under us, but which will no longer exist:

"Somebody might take the view that at 659 there are already too many Members of Parliament at Westminster. They may take the view . . . that Westminster has less to do, with less MPs—I certainly hope that is not the case."

I quote from the Boundary Commission for England: Transcript of Oxfordshire Boundary Inquiry, 2003.

The Deputy Prime Minister—this was another error by him—said that the number of Members in the House had crept inexorably up. That is not the case. If he had bothered to examine the House of Commons Library research note on the Bill, he would have seen that on the back. The numbers went up to 659 under the Conservatives. They were put at 659 in 1992. They were at 659 in the 1997 election. They are now down to 650. Of course we would have been happy to discuss sensible and agreed reductions in the total size, as indeed we did when we were in office.

Mr Charles Walker (Broxbourne) (Con): Is it not the case that we have 650 Members of Parliament because we draw the Executive from Parliament? At any given time there are at least 300 Members of Parliament serving in the Executive or the shadow Executive. That leaves only 350 Members of Parliament to hold the Government to account.

Mr Straw: I had not thought of that before, but I commend the strength of that point. It is why the banal comparisons that the Deputy Prime Minister makes are so false.

Mr Richard Shepherd (Aldridge-Brownhills) (Con): I am obliged to the right hon. Gentleman for giving way. The point just made is crucial to the equation. Clearly, if we reduce the number of Members of the House of Commons, and not the size of the Administration, their control over the size of the House of Commons increases. That is the very thing that the House is struggling to address in the wider context of constitutional reform.

Mr Straw: I entirely agree with the hon. Gentleman. I recall that when that point was put to the Deputy Prime Minister in the debate on the Queen's Speech and he was asked whether he accepted that there should be a pro rata reduction in the number of Ministers and aides, he refused to give any commitment at all.

Let me return to the issue of public inquiries. Back in 2003, when the present Prime Minister supported the system, he had an opportunity to have his case put before a local inquiry. Under the Bill, no such right will exist in the future. Instead, all that the public are offered is a longer period for written representations, which is no substitute whatever for a proper examination, including oral evidence, before a judicially qualified chairman.

The Deputy Prime Minister said in the House a few minutes ago that there was no evidence that such local inquiries had changed the original proposals from the Boundary Commission. Again, he is not woefully ill-briefed, because he has a fine set of officials, but he is woefully ill-informed. The Boundary Commission's fifth report for 2007 reported that local public inquiries had led to change in the original recommendations in 64%—two thirds—of the cases where proposals had initially been made. The right hon. Gentleman shakes his head. That happens to be the case, and the source for that is the Boundary Commission.

Mr David Davis: I put exactly that point to the Deputy Prime Minister earlier. If we are not careful and the Bill goes ahead as it is currently drafted, instead of public inquiries, will we end up with a series of local judicial challenges on the basis of reflection of community interests?

Mr Straw: Yes, I agree.

Let me pick up on something that the Deputy Prime Minister mentioned parenthetically when he said that the timetable motion had been agreed by the usual channels. I am not responsible for negotiations with the usual channels, but I can tell the House that we are adopting the same approach to the programme motion that was always adopted by the Conservatives when they were in opposition. We do not believe that sufficient time has been allocated to this Bill, and we shall vote against the programme motion.

Several hon. Members *rose*—

Mr Straw: Allow me to make progress.

Every single other constitutional measure that I can recall has been considered within a time scale that allowed for proper pre-legislative scrutiny, but the man who came to office preening himself on how he was to raise the standards of our politics has brushed all that aside—so much so that the Political and Constitutional Reform Committee, to which he is answerable, denounced his approach in unusually strong terms. It said:

"The Deputy Prime Minister has accurately described the Bill as 'fundamental to this House and to our democracy'. We regret that the Government's timetable has denied us an adequate opportunity to scrutinise the Bill before second reading."

Had the Select Committee had time, it might have been able to prise from the right hon. Gentleman some better explanation for clause 9, which can only be described as the Liberal Democrat protection clause.

The essence of the Bill is that arithmetic trumps all—that it trumps community loyalties, historical ties, long-established county boundaries, mountains, and, indeed, the sea. In pursuit of arithmetic, for example, the views of the people of the Isle of Wight are wholly to be ignored. It is all in the name of an arithmetical formula, except in one area of the United Kingdom—the north of Scotland. There will be two protected constituencies: Orkney and Shetland, with 37,000 voters, and the Western Isles, with 22,000 voters—a third of the standard size. Our objection is not that Orkney and Shetland and the Western Isles should have special

[Mr Straw]

considerations taken into account, but that they are the only areas that will be allowed to put their case about local needs and concerns.

Then we have the most bare-faced and partisan exemption of all: a new rule to allow seats that are more than 12,000 sq km in size—where this figure came from, I do not know—to exist even without the required quota of electors. Alongside that, another rule prevents any seat from exceeding 13,000 sq km. At present, only one seat on the mainland is bigger than 12,000 sq km—Ross, Skye and Lochaber, the seat of the former leader of the Liberal Democrats. Contrary to what the Deputy Prime Minister intimated, this is to protect a small seat with 24,000 voters—fewer than the average at which all other seats will be aimed. The only other seats that could conceivably be assisted by that rule are located in the Scottish highlands, and they are also Liberal Democrat-held.

Mr MacNeil: Will the right hon. Gentleman give way?

Mr Straw: If the hon. Gentleman does not mind, I need to make some progress so that others can get in.

The Deputy Prime Minister labours under the delusion that arithmetic equals fairness and that—the north of Scotland excepted, of course—human and natural factors should be cast aside. The strength of that delusion was recently spelt out by the Electoral Reform Society, which said:

"Conservative proposals"

we now, of course, have to add Liberal Democrat ones—

"mean that most constituencies will pay less regard to what most voters think of as community and natural boundaries, and change more frequently, destabilising the link between MPs and constituents. The United States has rigorous requirements for arithmetical equality of population in congressional districts, but the worst gerrymandering in the developed world."

Mr MacNeil: Will the right hon. Gentleman give way?

Mr Straw: If the hon. Gentleman will excuse me, no.

In contrast, Margaret Thatcher's 1986 system recognised the need for balance, which allowed local commissioners and the commission to take account of historical and natural boundaries, and density as well as sparsity of population, and to do so with the widest public acceptability. That ability to achieve balance has also meant that long-standing problems such as the under-registration of voters has had less impact on the final outcome. The problem of under-registration goes back to the 1990 poll tax. We sought to stabilise registration levels, but that poll tax legacy remains. The right hon. Gentleman must recognise that his reliance on arithmetic above all makes the problem of under-registration so acute and so potentially unfair.

Mrs Eleanor Laing (Epping Forest) (Con) *rose*—

Mr Straw: I shall break my undertaking and give way to the hon. Lady.

Mrs Laing: I thank the right hon. Gentleman very much for giving way. He knows what I am going to say because we have had this argument so many times across the Dispatch Box. He knows, as does the rest of the House, that under-registration will be put right to a very great extent by the introduction of individual voter registration, which was proposed by the Conservative party way back in 2005 and which the right hon. Gentleman's Government delayed for five years before they introduced it.

Mr Straw: The hon. Lady will recognise that we introduced agreed legislation on the phasing-in of individual registration. She will also know—and she is on the record as recognising—that although there were potential benefits from individual registration, there were dangers too, which were clear from the Northern Ireland experience. It had to be phased in carefully, with a large amount of resources—not rushed, as the Deputy Prime Minister now proposes.

Chris Ruane (Vale of Clwyd) (Lab) *rose*—

Mr Andrew Love (Edmonton) (Lab/Co-op) *rose*—

Mr Straw: I am coming to the close of my remarks.

The right hon. Gentleman has repeatedly acknowledged that some 3.5 million people are missing from the register; the figure is from the Electoral Commission. Yet as he told the House today, and did in July, the boundary review will be based on the register published in the beginning of December. Millions will be missing from that register and, as he admitted, they will not be randomly spread. Instead, they will be concentrated among the young, private sector tenants and black and ethnic minority British residents and will be most likely to be found in metropolitan areas, smaller towns and cities and coastal areas with significant population turnover.

Given those facts, which are accepted by all, why is the right hon. Gentleman rushing to redraw all the boundaries according to an entirely new set of rules whose effect cannot be challenged in public inquiries before these missing voters are put on the electoral roll?

I should have said to the right hon. Member for Haltemprice and Howden (Mr Davis) that I accept his point that there are likely to be many more judicial reviews, including successful judicial reviews, of the Boundary Commission proposals. The Boundary Commission will have to wade through a large number of written representations; there is no way in the world that it can give them the proper concern that would be given if there were an independent, legally qualified chair for each of the boundary inquiries.

Yes, boundaries have been reviewed in recent times on the existing registers, but that did not happen according to a rigid new electoral quota involving an arbitrary cut of 50 seats. Furthermore, those reviews were always balanced by the ability to hold public inquiries, so that account could be taken of issues such as population movement, natural boundaries and, yes, voter registration.

When this issue was debated before the election, Liberal Democrats took a very different view from the one that they now take; no surprise there. Their then spokesman, David Howarth, then the hon. Member for Cambridge, said:

"The idea that fiddling with boundaries based on out-of-date information can make the first-past-the-post system fairer is absurd."—[*Official Report*, 8 April 2010; Vol. 508, c. 1217.]

Is that no longer the view of the Liberal Democrats and their leader? Are they now willing to concede a "fiddling

of boundaries"—Liberal Democrat words, not mine—provided that they get a referendum on electoral reform in return?

The Liberal Democrats hawk their democratic consciences around, yet they are happy to ignore the democratic rights of millions of eligible voters who will not be part of this boundary review process. Every day in opposition they were speaking as loudly as we are about the problems of under-registration.

Chris Ruane: Will my right hon. Friend give way on that point?

Mr Straw: I am about to close.

In his excellent blog on the ConservativeHome website, the hon. Member for Cities of London and Westminster wrote today:

"Reform to our constitution should never be made as a short term, tactical gambit."

This is a deeply flawed and partisan Bill. It will do much harm and sow a great deal of division. I urge the Deputy Prime Minister to return to the democratic principles that his party's Front Benchers articulated before the election and to remove the unfair boundary clauses from the Bill. If he splits the Bill, he will have our support. In the meantime, I commend our amendment to the House and urge the House to give that amendment its full support.

Several hon. Members *rose*—

Madam Deputy Speaker (Dawn Primarolo): Order. Before I call the next speaker, may I remind the House that some 74 Members wish to speak in this important debate, and that Mr Speaker has set a time limit of six minutes per speaker?

5.10 pm

Greg Hands (Chelsea and Fulham) (Con): I rise to support the Bill, although I shall talk mainly about part 2, on parliamentary boundary reviews, as somebody who was heavily involved in the boundary review in my own area of north London last time around. It was a very lengthy process that began in 2001 and ended in 2007. That is the important point—reviews are currently extremely long-winded affairs. It is crucial to understand that they are far too long and infrequent, and as a consequence we have electoral data that are far too dated to produce a modern electoral system and lead to far too many constituencies being either too small or too large when the boundary changes finally come in, as they did most recently this past May. In fact, the boundaries introduced then are based on electorates drawn up in 2000, so we have just kicked off with new boundaries that are already 10 years out of date.

Under the old system, we would normally be expected to have those boundaries for up to three Parliaments, which could mean that they are in place until such a time as 2024, for example. By that time, the electoral data will be a colossal 24 years out of date. In the last Parliament, the electoral data were already 16 years out of date in 2009. It is very important that we have more frequent and thorough boundary reviews based on current data.

I want to say a couple of quick words on the alternative vote, which I do not support. I will campaign for a no vote on AV, and if I had a free choice I would not put it to a referendum. However, it is clearly a constitutional matter, and it is important that such proposals should be put to referendums. I welcome the coalition Government's commitment that such questions, including a proposal to change the voting system, should be put to a referendum. As it currently stands, and as I believe the Labour party offered to the Liberal Democrats in the abortive coalition negotiations in May, any Government can come along and arbitrarily decide to change the system through legislation without having a referendum. I therefore commend the Government for seeing that the matter needs a referendum, which will set an important precedent.

There are two possible objections to having more frequent boundary reviews, and especially to their being held every Parliament. One is cost, and the other is administrative inconvenience for Members of Parliament and others involved in electoral administration. Those are the only two possible objections to more frequent and regular boundary reviews, but unfortunately the Labour party has chosen not to have one of them as its grounds for objection. It is objecting, on absurd grounds, to the creation of equality for electors in a parliamentary constituency, something on which it and its predecessors have been campaigning since the early 19th century. Suddenly, Labour Members are the people defending the principle that constituents should be unequal, which is entirely wrong.

It is perfectly possible to have boundary reviews much more quickly. The previous one lasted six years, but the meat of it lasted about a year and a half from the time when the first proposals were made to the time when they were approved by the Boundary Commission. Thereafter, it mainly came down to approval by Parliament.

Geraint Davies (Swansea West) (Lab/Co-op): Will the hon. Gentleman give way?

Greg Hands: I will give way once.

Geraint Davies: Given that it has been said that the savings would be £12 million, how many hundred million pounds does the hon. Gentleman estimate the reduction by 50 MPs will cost, given the judicial activity and so on that will happen?

Greg Hands: That is a bit of a red herring because judicial activity that is happening through the current system, with the local reviews, is extremely expensive. I personally think that those matters are not for the court or lawyers—they are administrative matters. They should never have been given over to QCs and other lawyers because they are simply not matters of law. We are considering reviews of how parliamentary boundaries are drawn, and they should be more frequent and more effective.

I want to end by examining the Labour party's position. It has set out to oppose equal-sized parliamentary constituencies. Let us consider that for a moment. The right hon. Member for Blackburn (Mr Straw) used the word "gerrymandering". He should know better; his use of it was an abuse of the English language. One cannot describe a way of formulating a set of seats as

[Greg Hands]

gerrymandering, but one can so describe its execution, for example in an irregularly shaped constituency, particularly one made for party political purposes. However, that will be down to the Boundary Commission, so thankfully there cannot be any gerrymandering—we have an independent Boundary Commission to conduct the execution.

Let me mention three points of 19th-century history. The right hon. Gentleman studied law at university. Perhaps he is like Tony Blair, who, having completed his time in politics, thinks that he should have studied history instead of law. The Labour party did not exist in 1832, but many Labour party members believe that the Great Reform Act of 1832 presaged the development of the modern Labour party. Yet that was all about abolishing rotten boroughs and trying to create a system of parliamentary constituencies of equal size. Before that, we had constituencies such as Gatton with seven electors, Old Sarum with 13 electors, Dunwich with 32 electors and so on, while the whole of Yorkshire, including the great cities of Leeds, Sheffield and Hull, had some 20,000 electors.

I shall pray in aid the Chartists. The right hon. Gentleman knows that their people's charter of 1838 is frequently cited as one of the origins of the modern Labour party. Many people in the Labour party hark back to the six points in the people's charter. Point 5 is:

"Equal constituencies, securing the same amount of representation for the same number of electors; instead of allowing small constituencies to swamp the votes of larger ones."

That is from the people's charter of 1838, which Labour is seeking to revoke.

I welcome the commitment that AV is a constitutional matter. I welcome more frequent and faster boundary reviews, but I am afraid that Labour's opposition to the Bill is cynical and self-serving. Their predecessors would be deeply ashamed of what they are doing today.

5.17 pm

Margaret Beckett (Derby South) (Lab): The Bill is as dangerous as it is dishonest because it is rooted in a set of false premises. My right hon. Friend the Member for Blackburn (Mr Straw) completely demolished the argument that it is either necessary or desirable to redraw almost every constituency boundary, especially when the independent Boundary Commission has just redrawn them. He highlighted the danger of removing the previous process of scrutiny and appeal.

I want to address the second half of the gerrymander—the proposal to change our electoral system. We are told that it is necessary to change—"reform" is the word used—because our current system is "unfair"; that the reform will give greater power and influence to the people, and that that is what the people demand. I contest each of those premises. It is dishonest to say that our current system is somehow unfair and that proportional representation is fair. There is no such thing as an electoral system that is absolutely even-handed and fair in every respect. Each has its own fairness and unfairness.

It is legitimate to argue that our current system can give majority groups an outcome that is somewhat disproportionate to the scale of that majority, but it is equally true—I believe that it is even more so—that the major effect of more proportional systems is to give wholly disproportionate power instead to minorities. The views supported by a smaller number often hugely outweigh in the balance of power those of the majority of the population. There may be reasons for saying that that is desirable—I can see from their reaction that the Liberal Democrats share that view—especially, of course, for those in minorities, but I struggle to see how it is more democratic.

Simon Hughes (Bermondsey and Old Southwark) (LD): Will the right hon. Lady give way?

Margaret Beckett: I am sorry, but time is so short.

I recognise the argument that the alternative vote does not create a fully proportional system, but I oppose the proposal for exactly the same reason that the Liberals support it. Like them, I regard it as the thin end of the wedge, and I oppose their ultimate goal. Incidentally, it is now clear that in the formation of the coalition, the Liberals tried to force both the Labour party and the Conservative party to push through the change to alternative vote without a referendum and without seeking the views of the British people at all, so I hope that we will not hear much from them about what a great idea a referendum is.

Our current system has substantial strengths and virtues. It is simple and easy to understand, and the British people know exactly how to operate it to get the result that they want. For decades, I have listened to the most arrant rubbish about how our electoral system somehow cheats the British people of the Government whom they want. I have never believed that, and I do not know how anyone can continue to argue it with a straight face after the elections of recent years.

In the '80s and '90s, those who support PR argued that votes cast for the Labour party, the Liberals and others outweighed those cast for the Thatcher and Major Governments, and said that our system prevented the people from removing them. However, people knew perfectly well that if they voted Tory or for a third party rather than the Labour alternative, they were actively choosing or risking the re-election of a Tory Government. I deeply regretted their decision, but I never doubted that it was a conscious one. The argument that our electoral system stood in their way was surely demolished for ever by how they voted in 1997. Indeed, so well did they understand our system, they could even produce a Parliament such as this one, when no party has a clear majority.

The people therefore have the influence and the power, and they understand how to make change if that is what they choose. It is not true that the Bill will give more power and influence to the people. The Bill takes power away from the people and gives it to the politicians, as the coalition Government daily demonstrate. If the Bill is enacted and if the British people choose to give away their power in the referendum that the Liberals tried to deny them, so be it, but they must be told the truth about the choice that they are making and the effect of their decision. They must not have the wool pulled over their eyes by politicians who believe that they stand to benefit.

Over the years, many people, especially in other countries, have asked me to explain why Britain has such comparative political peace and stability. I believe that that is in large part because the British people know perfectly well how

to make dramatic electoral change if that is what they want. If on the basis of a false prospectus of giving them more power and influence that power is taken away or diminished, I believe that there is a risk of a backlash that jeopardises precisely that stability.

5.23 pm

Mr Robert Syms (Poole) (Con): I rise to support the Bill. I am a supporter of first past the post, but frankly the system will not work unless there are regular reviews of electorates by the Boundary Commission. I helped and participated in the last boundary review, which was really a kind of 18th-century procession around the country. The commissions managed to do inquiries for north and south London, and for west and south Yorkshire, but did each individual area on its own, which took such a long time. There is no reason why the process cannot be speeded up and yet remain impartial and allow for representations.

There are five days to discuss the Bill on the Floor of the House, which is ample opportunity to make further representations regarding some form of public inquiry, but we do not need barristers and others to turn up to give evidence in each individual county of three, four or five constituencies. That is too slow. As we have heard from a number of my hon. Friends, we have just fought an election that is already 10 years out of date. Unfortunately in the modern age, people move, which causes disparities and unfairnesses. That has to be addressed by this House. If it is not addressed, we will end up in a situation in which one party wins most of the votes and another party wins most of the seats. That sometimes happens because of bizarre quirks in the electoral system—for example, in 1951 Labour had more votes and we had more seats—but broadly speaking people get what they vote for, if the boundary system is up to date. So reform is necessary.

It is sensible to proceed on the basis of the Bill. No one can argue that this is being railroaded through, as it will have five days on the Floor of the House. At times, in opposition, we pleaded for more time to discuss constitutional Bills, but we were given no more time, we faced guillotines and we could not discuss them. The right hon. Member for Blackburn (Mr Straw) was his most genial and persuasive self this afternoon and I agreed with much of what he said, but I sat on the other side of the House when we discussed electoral reform for the European elections—a list system that was introduced without a referendum, and without even the boundary commissions looking at how the regions were drawn up. We had massive disparities between Wales and Scotland and the south-east of England. That change was railroaded through by the Government. The right hon. Gentleman's case would be more persuasive if he had not put that legislation on the statute book.

Mr Straw: I was trying to keep my remarks brief, but I did point out in the Queen's Speech debate that one blemish—for which I was responsible—on the previous Administration's otherwise good record in seeking all-party consensus on constitutional issues was the European elections system. I regret that. It was not a good chapter for the Labour Government, although no one could claim that we did it for party advantage, because it worked against our party and helped small and fringe parties.

Mr Syms: After 30 years on the Front Bench for the right hon. Gentleman, it is nice to hear all his confessions. However, some of us warned of the problems when the legislation was considered. For example, I made the point on Report about extremist and nasty parties benefiting from the electoral system that was being introduced, and we have seen the British National party and one or two others getting in. The system, because it is purely democratic, sometimes allows people to be elected when perhaps the first-past-the-post system would not.

We have to look at this Bill as sensible and pragmatic politicians, and if we want first past the post to continue—as I do—we must have boundary commissions that can produce regular reports, get through the business rapidly and produce constituencies of equal size.

I welcome the proposal for 600 Members and I agree with the point that if the number were reduced too much it would increase the power of the Treasury Bench and the Government. If we reduce the number of Back Benchers without reducing the number of Ministers, it would change the balance of the House.

We have had several boundary reviews in which the number of Members has gone up. We are not as big as we were when the southern Irish were here—at one point, there were 700 Members—but in each boundary review a compromise is reached at the end and the numbers tick up. We need to top off those numbers, reduce them modestly and, in future reviews, perhaps reduce them still further. We do have an awful lot of Members of Parliament. I accept that there is more work, including e-mails, but we have more staff than we did when Enoch Powell used to sit in the Library writing his letters by hand. Things have moved on, but—especially with an elected or substantially elected upper House—we could have fewer Members of Parliament.

Duncan Hames (Chippenham) (LD): Does my hon. Friend agree that at a time when public servants across the public sector are being asked to find efficiencies it would be strange to exempt Members of Parliament from the same challenge?

Mr Syms: There is a broad point about the cost of Government, but there is the other point that Members of Parliament sometimes save money, represent their constituents and help to break logjams in the legislative and bureaucratic system.

Daniel Kawczynski: My hon. Friend mentioned the elections to the European Parliament. If we are going to change any voting system, surely it should be those elections, in which only 30% of the electorate turn up to vote, because they are very unhappy with how we vote for MEPs. Conversely, in our elections the turnout is 70%. Most people are happy with the way they elect us, but not with how they elect their representatives to the European Parliament.

Mr Syms: I am sure that that is the case.

The basis of this Bill is still geographical representation, which has served our country well over a long period of time. However, the matters that we are discussing today are not new. In fact, AV went on the statute book in the Parliament of 1929 to 1931. The economic crisis and

[Mr Syms]

the formation of the National Government changed that, because the legislation was taken off the statute book when the national Government were formed. There was a debate in the House in 1933, initiated by a Liberal, on electoral reform in which Clement Attlee spoke from the Opposition Benches in defence of the first-past-the-post system. He was challenged by Sir Herbert Samuel as to why he had voted for AV, and he stated: "It was the result of a bargain with the Liberals. Although I voted for it, I disapproved of it."

That was in 1933; we are now in the year 2010. No doubt that was an unprincipled agreement, rather than a proper coalition agreement such as that which we have today, but first past the post has lasted rather a long time. People have said "RIP" to first past the post many times before. However, I am happy to vote for the Bill and send the referendum to the British people, because at the end of the day, I trust the common sense of the British people.

5.31 pm

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The Deputy Prime Minister spoke about reform of politics and political renewal. It is therefore perhaps a shame that the SNP's amendment to the motion was not selected, as it would have better achieved those ends than the amendment before the House. However, that is possibly another matter.

As a supporter of democracy, I was at one with the Liberals in the past in supporting the single transferable vote. However, they have now moved downmarket, sadly, and have left us in the nationalist parties alone in supporting STV. AV is not the halfway compromise that the Liberals imagine it to be. It is not halfway between first past the post and STV or even a quarter of the way; it is not a 10th of the way or a 20th of the way. At best, it might be a 50th of the way. Perhaps that is progress, but it is not much of a leap.

However, there does seem to be a leap in the paranoia growing among those on the Benches of this House, including paranoia among some Tories that although their second-preference votes might be distributed to the Liberals, the Liberals will not reciprocate in the same manner. Labour also has paranoia, about seats and boundary changes. The final paranoia that I am detecting is that if AV goes through, the Tories might collapse the Government and hold an election before AV gets assent, in order to give the Liberals a disadvantage.

However, my fear is ultimately based on the tremendous lack of respect that we are seeing. My hon. Friend the Member for Carmarthen East and Dinefwr (Jonathan Edwards) tells me that in Wales the Tories and the Liberals stopped a referendum that would have been held on the day of the Welsh elections. However, in Westminster, the Tories and the Liberals are pushing a referendum on us in Wales, Scotland and Northern Ireland on the day of our national elections. That is not happening in a Welsh context alone; there will now be an asymmetrical voting day across the United Kingdom, which is a tremendous mistake.

The confusion of electoral methodology, boundaries and the date is a strategic master class in creating opposition to the Bill. Surely respect demands another day. Among the hundreds of days that the Government could have chosen for a referendum, they have chosen the one day on which votes will be taking place in Scotland, Wales and Northern Ireland—a master call in creating opposition. I note sadly that the Labour amendment makes no mention of the date.

As I have said, the Deputy Prime Minister spoke about political reform and letting the people decide. Why, therefore, do the Government not trust the people to decide properly? Why do the Liberals and the Tories not trust the people to discriminate between first past the post, AV and STV? I have just heard a Government Member say that he trusted the people to decide and choose the right system. Well, give them a proper choice and let them choose properly and comprehensively, because otherwise we will not be letting the people choose. Instead, we will be giving them a very narrow field of choice. Do the Government not trust the people? The rhetoric behind it all was that this programme would be greater than the Great Reform Act of 1832, but it is certainly falling down badly in the sidelines.

Finally, let me deal with the date and I shall detain the House no longer. All we ask for in Scotland is some respect for what is happening there and for Scottish dynamics. We do not want the media to be dominated by a secondary issue to the main bread-and-butter issues that will apply in Scotland. If we are to have a referendum in Scotland on the day of the election, why will the Government not consider having a referendum on giving greater powers to the Scottish Parliament? This is going to happen in Wales this coming spring, so why can we not have it in Scotland? Why can we not have either independence or greater fiscal powers under the status quo?

Daniel Kawczynski: The hon. Gentleman is issuing a lot of challenges to various political parties, so will he accept the challenge of taking a small bit of the mainland in order to make his seat the same size as our constituencies?

Mr MacNeil: I am delighted that the hon. Gentleman has raised that matter. This morning, I travelled here by ferry in a force 7 gale; the ferry could not turn and had to reverse in the Sound of Barra. Secondly, I got a plane from Benbecula to Glasgow and then another plane from Glasgow to Heathrow. If the hon. Gentleman wants to make that journey, let him do so; if he does not know the geography, I would ask him to come and visit my constituency.

5.36 pm

Mr Gary Streeter (South West Devon) (Con): I have been a Member of this House for 18 years and as far as I can recall I have never voted against my own party on a three-line Whip. I am sad to say that that record—I am not quite sure whether it is a proud or a shameful record, or possibly a supine record—is going to come to an end with respect to this measure, unless substantial amendments are made in Committee. I propose to abstain this evening, but vote against the Bill on Third Reading unless substantial amendments are passed.

Why on earth would I want to act that way in respect of this seemingly innocuous measure? Before I explain my four reasons for doing so, it is only fair to read out a list of the constituents who, over the 18 years I have been a Member of this House, have contacted me—whether

it be by letter, e-mail, phone or even in the street, and I add that my constituents are not shy about accosting me on any particular issue—to ask for a referendum on an alternative voting system. I must put this list on the record. Oh, but look, it is a blank piece of paper! The reality is that for 18 years my constituents consulted me on every conceivable issue under the sun, but not a single one has ever said to me, "We must change the AV electoral system, Mr Streeter." Even since the measure was introduced in the coalition agreement—it is, of course, excellent—very few constituents have bothered to get in touch. There is a raging lack of interest in this matter out there. There is a lot more interest in a move to full-blown proportional representation, and if the referendum were about that, I would have a lot more respect for it. That is not the case, however, which is why I feel I cannot support the proposals. There is no constituency interest or support for this measure—my first reason for opposing it.

Secondly, at a time of stringent austerity when every public body is being asked to prune spending and when public spending is being slashed, we are going to spend between £80 million and £100 million on a referendum that nobody wants. That money could be spent on a whole range of other things. Everyone will have their own pet project, but I know that a number of my constituents have been upset over recent weeks and months by the ending of free swimming for under-fives and over-65s. That has been subsidised at a rate of about £48 million a year. I would rather continue with free swimming for another two years than have a referendum that nobody wants.

My third reason for opposition is that these proposals were not in the manifesto of any party at the last election. Call me old-fashioned, but I think that manifestos are important and that we should do what we say we are going to do in them. *[Interruption.]* Yes, I know that Labour Members are opposing the Bill. I always enjoy the shadow Lord Chancellor's speeches, but his speech today would have had a bit more credibility if, over the past 13 years, his party in government had done more to tackle under-representation in some of the seats that he expresses concern about. It is an important issue, and the Labour Government had 13 years in which to tackle it.

The measure was in the manifesto of our coalition partners, not in our manifesto. It was in the coalition agreement, which I respect—it is an impressive agreement—but I do not believe that that agreement is binding on me. This Parliament is sovereign, and my manifesto is binding on me, but the coalition agreement is not binding on me.

My fourth reason for opposing the measure is that I have long believed that first past the post is the best system for electing people to the House. It is simple, everyone understands it, and by and large, as the right hon. Member for Derby South (Margaret Beckett) said, it produces the right result. If the Bill passes on Third Reading, I am concerned that, even with the most excellent information, constituents will be confused. This morning, I received an e-mail from a lady in Ivybridge, in response to an excellent article I had written in the *Plympton, Plymstock and Ivybridge News*, which I know many Members are keen to read on a weekly basis, and should they be so moved they can read it on my website. The lady took me to task for saying that I would oppose the alternative vote system, which, she said, she wanted because she had voted Labour all her life, and as she lives in a rock-solid Conservative seat, her vote has never counted. Of course, proportional representation would make her vote count, but the alternative vote would make not a scrap of difference in South West Devon. The lady has taken the trouble to get in touch, but has completely misunderstood what AV is. I am concerned that such misunderstanding would be widespread.

I support the coalition, which is working extremely well, but I fear that if we moved to an AV system, we would never have an outright Conservative Government again. I would consider that to be an extremely bad thing. The Conservative party is already a broad church. Some Members say that it is good to have the Lib Dems on board because they will make us much fairer than we would be on our own. I find such remarks offensive and absolutely wrong, and I would hate to be party to any measure that would prevent an outright Conservative Government from being returned in this country again. If the measure is passed on Third Reading, it will prove that sometimes turkeys do vote for Christmas.

5.42 pm

Mr Graham Allen (Nottingham North) (Lab): It is a great privilege to make my first contribution as the newly elected Chair of the Political and Constitutional Reform Committee. A great number of the Select Committee's members are in the Chamber today, and I look forward to listening to their speeches later.

I would like to refer you, Madam Deputy Speaker, to the work of the Select Committee, to the evidence taken at length, to a large document to which many of the key academics and most of the important people had contributed their views, and to a widespread consultation that had taken place. I would also like to refer you to the racy and readable summary of that Select Committee report, because if parliamentarians on the Select Committee do not do their job and lay down basic, agreed and impartial facts, the debate might get partisan and a little tribal.

I would like to do those things, but I cannot do them. My Select Committee has had a grand total of two sessions to discuss and take evidence on the Bill, which is arguably the most important that the House will pass in this Session—the most far-reaching and fundamental Bill. It changes our electoral system, it changes the number of Members of Parliament, it changes the balance between the Executive and legislature—for the worse, because fewer Members will mean that a larger percentage of us will represent either the alternative Executive or the Executive themselves, making it even harder to hold the Government to account—and it changes the relationship of individual Members to their constituents.

My Select Committee has a good bunch of people on it, from different parties, who are independent-minded and who speak their minds. One thing that unites them, in the sliver of a report that we have had a chance to put before the House, is the belief that we have not been adequately consulted during discussions about the Bill.

The Leader of the House, whose statement I welcomed, said that if we were to take the House of Commons seriously, we must have proper pre-legislative scrutiny. There must be a period, before any Bill comes to the

[Mr Graham Allen]

House for its Second Reading, that would allow us to say, "We have studied this Bill, and here are some of our conclusions." The Leader of the House wrote to the Liaison Committee—which consists of all the Chairs of all the Select Committees—stating in terms that he believed that 12 weeks constituted the minimum amount of time that we should spend on each Bill before it came to the House for Second Reading, but I am afraid that he has had to eat his words.

This is not some small order or statutory instrument, but potentially the biggest Bill that the House will consider in five years, and my Committee has been given just two sessions in which to consider it. I do not regard that as the new politics. I do not regard it as involving all Members in the House. I am not making a partisan point on behalf of one party or another; I am making a point on behalf of my Committee, which believes that it is inappropriate for a Bill of such magnitude to receive such cursory attention from the House before its Second Reading.

I hope very much—and I hope that the Minister of State will take my words away with him—that it will never be possible for this to happen again, but my hopes may be forlorn. The Fixed Term Parliaments Bill will come down the tracks next Monday, and again we shall have only two sessions in which to consider it. That must strike at the heart of every Member of Parliament. It must cause all Members to ask themselves what they really feel is their role in this place. Of course they must support their Government or their Opposition, but they must ask themselves whether this is the way in which we want to pursue our politics over the next five years. I ask them please to find it within themselves to say, "We can do better."

Let me make a more personal observation about the boundaries provisions. As other Members have already pointed out, the population in our constituencies has risen by 25% since 1950. The expectation of what we should do has massively increased the work load of Members, particularly those in deprived constituencies such as mine. If we proceed with these proposals and make no effort to change them, we shall be voting to give our constituents a poorer service, and that is not why we came here.

5.48 pm

Roger Williams (Brecon and Radnorshire) (LD): It is a great pleasure to follow the hon. Member for Nottingham North (Mr Allen). I especially noted his point about pre-legislative scrutiny. Already in this Parliament, a number of Bills that have subsequently become Acts have been dealt with relatively quickly. Those Bills would certainly have benefited from pre-legislative scrutiny, although that is not to say that I oppose the principles contained in them.

There are those who would have liked two elements of this Bill—the proposed equalisation of constituencies and the referendum on a change in the voting system—to be in separate Bills. Pre-legislative scrutiny could have dealt with that, and perhaps produced greater agreement. I believe that from time to time the public of this nation have the right to a referendum on important issues such as this, and I hope that the majority of the House agrees with that. However, I shall concentrate on the issue of the equalisation of constituencies. We have heard a number of compelling arguments that we should seek to ensure that our boundary commissions look very frequently at our constituencies and the numbers of electors in them. As has been pointed out, equal constituencies was a key issue for the Chartist movement.

We all represent constituencies that are unique and every one of us could argue that because of deprivation, geography or demography our constituency should have greater representation or fewer electors so that we, as Members of Parliament, can do the work that we need to do. Indeed, I represent a very rural constituency; it is about 80 miles from north to south and about 40 miles from east to west—it may be the largest constituency in England and Wales, although I know that a number of Members would contest that—but I do not think that that should be a reason to have fewer electors electing somebody from that part of mid-Wales. Indeed, I am a bit of a purist on this subject and I would like no exceptions to the way in which constituencies are set up. I say that knowing that the hon. Member for Na h-Eileanan an Iar (Mr MacNeil) is present, and I am also concerned that I am upsetting my Chief Whip in this matter, which might not go very well for me in future.

If these proposals go ahead, we in Wales will see a fairly drastic reduction in the number of MPs, as will Scotland. It might be wise to ask why Scotland and Wales had greater representation than England. It might have been a sop to the nationalists that Wales and Scotland had greater representation in this House, and therefore the tendency to support the nationalist cause could be reduced.

Mr Mark Williams (Ceredigion) (LD): I am not sure about the history of the circumstances of that, but does my hon. Friend not agree that there is logic in conducting the review into the reduction in the number of seats at the point at which the National Assembly for Wales acquires more powers, and not before? On a more positive note, will he also acknowledge his support for clause 11 which, essentially for us in Wales, decouples Westminster seats from Assembly seats, so that the work of the Assembly is not diminished in any way?

Roger Williams: Yes, I do very much welcome the decoupling of the seats for the Assembly and the electoral system for the Assembly from the Westminster process. That will certainly ensure that local representation is maintained in Wales and that Assembly representatives will be able to represent their areas on a very local and particular basis.

I will wholeheartedly support the equalisation of constituencies. If anything can be done for constituencies in which constituents have particular travel and access difficulties, that should be on the basis of allowing greater expenditure on staffing or further offices. I have to run two offices in my constituency, yet people still have to travel 30 miles to access them.

Mr David: Is the hon. Gentleman in favour of the abolition of public inquiries?

Roger Williams: That is a very difficult issue, but when we had public inquiries in our part of the world the most telling points were made not by QCs and legal representatives but by local people, and such points can be equally well made in written submissions.

I believe that the equalisation of constituencies will go some way towards restoring the British public's faith in the electoral system and, indeed, in this House.

5.55 pm

Mr Frank Doran (Aberdeen North) (Lab): I want to address the issue of boundaries and, as a Member from the north of Scotland, particularly the issue raised by my right hon. Friend the Member for Blackburn (Mr Straw) about the way in which it seems the rules are to be changed and moved about to facilitate certain hoped-for outcomes.

The north of Scotland loses out badly under this Bill, because we have more than our fair share of large and sparsely populated constituencies representing remote and rural areas. It is agreed, of course, that there should be special provision for Orkney and Shetland and the Western Isles, as there has been for many decades, but the Deputy Prime Minister also declared at the outset of this whole process

"that no constituency will be larger than the size of the largest one now".

He went on to spell that out, saying that his party colleague, the right hon. Member for Ross, Skye and Lochaber (Mr Kennedy), represented

"a constituency that is by far the largest in the country"

and that the Government would take

"the cue from his constituency"—[*Official Report*, 5 July 2010; Vol. 513, c. 25-29.]

The Deputy Prime Minister had, of course, already said that every mainland seat would have to have an electorate between 95% and 105% of the UK average electorate, which in current terms means between about 73,000 and 80,000 voters. I apologise for all the figures that I will mention. However, that did not help the right hon. Member for Ross, Skye and Lochaber, because his electorate is far too small—just short of 52,000—and no amount of Government spin-doctoring can add 21,000 voters to a rural constituency without adding a single hectare of land.

In a press story in July, it was pointed out that the suggestion that Ross, Skye and Lochaber could continue unchanged was fundamentally wrong for two reasons. The first was the legal requirement to add more than 20,000 electors, which was not possible without taking a couple of wards in the city of Inverness from the constituency of the Chief Secretary to the Treasury—which would obviously be undesirable. Of course that would make the seat larger than it is now, even if only by a few square kilometres.

The Deputy Prime Minister had an answer to that, however. In the Bill he has set the cap on size of constituency at not

"just shy of 13,000 sq km"

as he had promised, but at exactly 13,000 sq km, which is enough to allow Ross, Skye and Lochaber to add some 285 sq km and so, perhaps, 21,000 voters in the city of Inverness. More importantly, the Deputy Prime Minister had gone back on his insistence a few days earlier that there would be no more concessions to special cases. The Deputy Prime Minister had said on 5 July:

"As for the basis upon which the boundary commissions will make their decisions, the exceptions on the face of the Bill will be very limited—for obvious reasons, the two island constituencies that I set out, and the geographical cap in size that I specified."—[*Official Report*, 5 July 2010; Vol. 513, c. 29.]

No doubt that was the deal: exceptions for two seats to preserve Orkney and Shetland under the new regime and a guarantee that Ross, Skye and Lochaber would not be made any bigger, in exchange for a promise that the Liberal Democrats would not seek any more exceptions but would deliver what the Prime Minister and Conservative central office wanted and face down Back-Bench dissent from either Government party.

On 22 July, however, a new concession appeared: that a constituency would be exempted from the rule requiring it to have an average-sized electorate in the event that it had a land area of over 12,000 sq km, so long as the boundary commission concerned is

"satisfied that it is not reasonably possible for the constituency to comply with that rule."

There is, of course, only one constituency currently with a land area in that magic category of between 12,000 and 13,000 sq km: Ross, Skye and Lochaber. However, in spite of his party leader's best efforts, the problem for the right hon. Member for Ross, Skye and Lochaber has not been solved. In fact I think it is arguable that it has only been more cruelly exposed.

The Deputy Prime Minister himself had said that Ross, Skye and Lochaber was "by far the largest" constituency in Britain, and that is indeed the case. There is a vast difference in land area between that seat, at 12,715 sq km, and the second largest constituency of Caithness, Sutherland and Easter Ross at 8,711 sq km. The Deputy Prime Minister's party colleague, the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso), may never have been leader of the Liberal Democrats, but his problem is none the less the same: with only 47,000 electors in a large rural constituency, he needs to find another 25,000 voters if he is to meet the requirements of the legislation.

Worse still, there is only one mainland constituency neighbouring Caithness, Sutherland and Easter Ross in which extra voters or hectares can be found. Bringing the hon. Gentleman's seat up to size will require large additions from Ross, Skye and Lochaber and perhaps also from Inverness, Nairn, Badenoch and Strathspey. Despite the Deputy Prime Minister's best efforts, the Bill must result in three new constituencies in place of the four currently representing the areas of Highland and Argyll, and the seat most likely to disappear if the Boundary Commission for Scotland operates in its normal way, whether it comes from south to north or north to south, is Ross, Skye and Lochaber. Thus, perhaps during the passage of the Bill we will see yet another concession and yet another crude attempt to protect Liberal Democrat seats in the highlands from the logic of the Conservative drive to cut Scottish seats. If we do, it will expose yet further the sheer cynicism and party political opportunism behind this measure.

6.1 pm

Jonathan Evans (Cardiff North) (Con): Thank you very much for giving me the opportunity to contribute to this debate, Madam Deputy Speaker. May I say how delighted I am to see the right hon. Member for Neath (Mr Hain) on the Opposition Front Bench? He will be very aware that, between 1945 and 1970, the Labour party in Wales demonstrated huge electoral pre-eminence, winning more than a majority in the Welsh elections in every general election in that period and having a significant return in representation from Wales. Let me take the

[Jonathan Evans]

opportunity to congratulate him on the performance in the general election, because since 1970 the Labour party has never had a majority of votes in Wales but has always had a majority of seats there. His record is that in the election just held in Wales the Labour party polled only 36%, which is its lowest proportion of the vote since 1918, but ended up with no less than 65% of the Members of Parliament from Wales. I know that he is standing in the shadow Cabinet elections, so may I point out to everybody that if the Labour party had replicated that result nationally it would have had a majority of 228 in this House?

In reality, the Conservative party got 36% of the vote and did not get an overall majority. I am therefore not impressed by any of the arguments that we have been hearing this afternoon about there being, in some sense, skulduggery on the part of those on this side of the House in endeavouring to address the structure of our electoral system. I know that many people on the Labour side in Wales are very concerned about the impact that the changes proposed in the Bill will have, not least the former Secretary of State for Wales, the right hon. Member for Torfaen (Paul Murphy), who spoke about them in the Welsh Grand Committee. The hon. Member for Pontypridd (Owen Smith) has recently written in *The Western Mail* about his deep concern, pointing out that the reduction in the number of Members of Parliament from elsewhere in the UK will be only 7%, whereas the figure for Wales will be 25%.

There is to be a 25% reduction, but I shall just point out why that is. Of the 10 MPs who are likely to go under this legislation, eight would go if there were no reduction elsewhere in the UK. As my hon. Friend the Member for Brecon and Radnorshire—I am delighted to call him that now, given that we have spent so long fighting one another in that constituency over the past 20 or so years—rightly said, it is essential that every vote in the United Kingdom should have equal value. It is of some interest to see that the only part of this House in which that proposition has opposition is on the Opposition Benches.

It is not as though this is a problem only within Wales. We know that all the analyses carried out on the results of the past three general elections have shown that Labour would have had a disproportionate advantage had there just been a replication of votes between the Conservatives and Labour. In other words, if both parties had received exactly the same number of votes, the Labour party would have had majorities in every one of those elections. Any democrat should find that situation insupportable and it is one of the reasons that I support these changes.

I have rather more reservations about the AV proposals. My hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) and I are polar opposites on this issue, because for 20 years I have been one of the outspoken supporters in the Conservative party of electoral reform, having spoken about it at almost every party conference. I can tell those on the other side of the House that that is a beleaguered and isolated position, as they will be able to gather. I must say how disappointed I am to see legislation proposing AV, which is not a form of proportional representation at all. Lest those on the Labour Benches say that this is being done for narrow political advantage, I must say that I have seen the analyses that have been done, which indicate that the Conservative party would probably be 20 seats worse off if the AV system had been in operation.

I agree that on this matter the choice should be put to the voters—too often we do not do that. As a former leader of the Conservatives in the European Parliament, may I remind my colleagues that we campaigned very often for the electorate to have the choice in a referendum? It is fair that on this issue the choice should lie with the electorate, and I say that despite believing that AV is no sort of substitute for electoral reform carried out on the basis of proper proportionality.

6.6 pm

Mr Roger Godsiff (Birmingham, Hall Green) (Lab): I am most grateful for being called to speak in this important debate, Mr Deputy Speaker. I wish to say at the outset that I support the Government's proposal to hold a referendum on the alternative vote system. I supported my Government when they introduced their proposals on 9 February and I have not changed my views since. I reread the record of the debate on 9 February and found it interesting that not one of the Conservative MPs who spoke was in favour of having a referendum on AV and that the Lib Dems' spokesperson made it clear that their support for the proposal was only on the basis that they wanted to get rid of the first-past-the-post system and have proportional representation. I make those points in view of what I am going to say in a moment.

I repeat that I have always supported the AV system, because it is not proportional representation—the hon. Member for Cardiff North (Jonathan Evans) pointed that out—but an improved version of the first-past-the-post system, whereby the winning candidate has to get 50% plus one vote. Although I welcome the proposed referendum on AV, I very much regret the fact that the Government, despite their saying that they are being radical, have not been prepared to be even more radical; they could have not just proposed that there should be a referendum on changing the voting system to AV, but had another question on the ballot paper asking whether people wished to have obligatory voting in the United Kingdom. That happens in Australia, which also uses AV for its House of Representatives. It is not just me saying this, because the Electoral Commission and the Select Committee on Home Affairs have both said that there should be a proper public debate on this issue.

Greg Mulholland (Leeds North West) (LD): I entirely agree with the hon. Gentleman that we should also have that debate. Does he agree that if we are going to examine that, we will also need to examine the issue of compulsory registration? We are all concerned about the large number of people who are not registered to vote, and we must tackle that difficult question, too.

Mr Godsiff: In theory, registration should be compulsory at the moment. Indeed, I saw something issued by Greenwich council saying that people should put their name on the register of electors and could be fined £1,000 for not doing so. However, I take the hon. Gentleman's point.

We live in an age where all parties, rightly, make great play of the virtues and obligations of citizenship. I would have thought that it was a basic obligation of a

citizen of the United Kingdom, who chooses to live in a democratic country, to take the trouble to express their view through receiving a ballot paper when a general election is held. Bearing in mind that the coalition Government are proposing five-year, fixed-term Parliaments, it does not seem to me an onerous obligation to place on a citizen of the United Kingdom once every five years.

Of course, I am not saying that an individual citizen should be obliged to vote for any party or candidate. People are perfectly entitled to do what they want with their ballot paper once they have received it. They could deface it, for example, or rip it up. Indeed, all of us will have stood at counts and seen ballot papers on which electors have put either no mark at all or certain marks in order to express their views on all the candidates—sometimes in the most colourful language. I have absolutely no problem at all with somebody doing that, because the important thing is that they will have expressed their views, whatever they might be and however offensive I might find them, and I believe that that is a basic obligation of a citizen in a democratic society.

Furthermore, by moving to a system of obligatory voting, we could begin to address the very important issue, which several Members have raised and the Electoral Commission has highlighted, whereby 3.5 million-plus people are missing from the electoral register. The majority are not on the register because the head of household did not register them, because they were not in when the council canvasser called or because they did not think that they were entitled to be on it.

Mrs Laing: Will the hon. Gentleman add something to that list? He rightly said that, currently, it is compulsory to register to vote, but is it not possible that some people do not want to be registered to vote because it suits them not to be on the register?

Mr Godsiff: That might well be the case, and I shall come to that point in a moment. I hear what the hon. Lady says, but in my opinion the majority of people who are entitled to vote but missing from the electoral register do not deliberately choose not to be registered. However, it is quite true that during the furore over the poll tax a large number of people deliberately left their names off the electoral register, because Mrs Thatcher's Government, in their wisdom, decided to use the electoral register as the basis for levying it.

By far, the majority of people who are eligible to be on the electoral register but not registered are younger people, those from lower-income social groups, those who live in rented subdivided houses, people who do not have a strong command of the English language and individuals who have learning difficulties. If voting were obligatory, there would be a much stronger emphasis on electoral registration officers ensuring that, in every household, everybody who was eligible to register was registered.

I very much hope that the Government will seriously consider allowing the electorate to express their opinion on obligatory voting in the United Kingdom, particularly given that we are moving towards a system that is used by Australia, where voting is obligatory and, in comparison with Britain, the turnout is more than 90%. Indeed, it would make absolute sense if such a question were on the same ballot paper as the one under discussion, because the argument about cost just does not come into the debate. We are going to have a referendum anyway, and nobody can convince me that two questions on a ballot paper would increase the cost. So, if ever there were a time when the Government could hold a ballot, it is now.

If the coalition Government say, "No, we are not going to do that," we will be left with the bizarre situation in which the Conservative party does not want AV, and in which the Liberal Democrats do not want AV—because they want PR—but will vote for AV for reasons of expediency and still hold a referendum on it. If the answer to that question is no, however, they are not going to hold a referendum to ask the people whether, on a second question, there should be obligatory voting in the United Kingdom. That is bizarre. I do not wish to make a partisan point, but the Deputy Prime Minister dotted his speech with phrases such as, "Not for us to decide," "The will of the people must prevail," and "The final decision should be with the electorate." I suspect that, if nothing else, such a question would certainly engender a lively debate throughout the country, and I commend it to the Government.

6.15 pm

Mr David Davis (Haltemprice and Howden) (Con): The Deputy Prime Minister, when he opened this debate, presented this Bill as something designed to increase people's respect for the political system that we work under. The people might respect us more if we admitted the real reasons for what we are doing. Of course party advantage is implicit in what we are talking about—with an electoral system, it would be surprising if it were not—and I am sure that the proposal has come about, in part, as a result of the political grievances of each component of the coalition Government. On the part of the Conservative party, the grievance is that it takes a 10-point lead over Labour to get a majority in the House. That seems a perfectly legitimate grievance. The Liberal Democrat party has a grievance that, as the long-term third party in this country, it does not get a share of power very often. Now is an exception.

So, there are understandable grievances, and there is nothing wrong in our political system with parties doing things that are to their advantage and in their own interest, but we must do such things with open eyes, and in a way that subordinates party interest to public interest, and that is where I have a problem with the Bill, because we must recognise that we are proposing to change a system that has worked extremely well for well over a century. Arguably, it has worked better in this country for our democracy than in any other country and for any other democracy in the world. We have avoided extremism and, in general, had good outcomes throughout that time.

We are going to replace that with the alternative vote. The Deputy Prime Minister quite rightly said that it was very difficult to predict the exact outcome of an alternative vote. We do not have to do our own calculations, however. The Blair Government asked Lord Jenkins to chair a commission on proportional representation, and one thing that he considered was the alternative vote. Interestingly, Lord Jenkins rejected it, and one of his grounds was that it was too anti-Conservative—Lord Jenkins, let alone anybody else, said that. More importantly, he rejected it also on the ground that it was

[Mr David Davis]

not just not more proportional than first past the post; in many cases it was actually less proportional—more disproportional—than our current system.

In that report, the most telling thing of all was a minority report by Lord Alexander, one of the great legal brains of his day, who took a case study of an alternative vote in a constituency with the Tories on about 40% of the vote and Labour and the Lib Dems neck and neck on 30%, plus or minus one percentage point. He showed very clearly and simply that what decided who won was who came third. The result had nothing to do with the primary preferences of constituents; it was the accident of who came third. That is the system that we are talking about putting in place.

Stephen Williams (Bristol West) (LD): Will the right hon. Gentleman give way?

Mr Davis: If the hon. Gentleman will forgive me, I will not. I have only six minutes, unfortunately.

This House has many characters with very interesting differences, and the other thing about AV is that it acts to create a coalition of antagonists, picking the least unpopular rather than the most effective Member. I think of AV as an anti-Carswell system. It is a pity that my hon. Friend the Member for Clacton (Mr Carswell) is not in the Chamber in order for me to tell him that. AV disadvantages bold and unconventional Members, those the House should treasure, and that is an important side effect.

We are measuring that system against a first-past-the-post system that has been very effective throughout history. It has been decisive, radically and ruthlessly so when it needed to be. When it brought in the Attlee Government after the second world war and the Thatcher Government in 1979, it recognised times of crisis and responded to them. At other times of crisis, when it decided that none of the major parties had all the answers, it created a coalition, and that is what it has done this time. That is what it did in the 1930s and the 1970s. That system actually works well and it has done so without creating the gap between the electorate and the ruling elite that we have seen in countries with proportional systems. The system has delivered outcomes that are in the tenor of the times and that have given an answer to the problems of the times.

We should be very careful about replacing that system. As has been said, this is a major constitutional change, greater than many that we have considered down the decades. It should be a choice for the people—I agree with that—and it should be an informed and deliberate choice. The hon. Member for Nottingham North (Mr Allen), the Chairman of the Select Committee, is no longer in the Chamber. He complained because insufficient thought and analysis went into the assessment before it was presented to the people. Let us compare these proposals with the Scottish referendum, which followed a constitutional conference, a White Paper and manifesto commitments.

What we need to make sure is that we inform the people and give them enough notice and enough knowledge to make the decision properly, and to have it resolved clearly. What I fear is that instead we shall have circumstances where perhaps only 30% of the population will turn out, so only 15% or 16% will vote for the system, and on that basis, we shall have the biggest change in our constitutional history for half a century.

6.21 pm

Paul Murphy (Torfaen) (Lab): I almost entirely share the views of the right hon. Member for Haltemprice and Howden (Mr Davis).

I hope not to listen to anything more about the Chartists. The Chartists of 1839, when there were lots in my constituency, had very different constituencies from those of 2010. Chartists believed in annual Parliaments, something I used to think was not a very good idea.

The hon. Member for Cardiff North (Jonathan Evans) rejected our view that the Bill is partisan, but why is it so rushed? Why was there no pre-legislative scrutiny and why is there no attempt whatever at consensus? The Deputy Prime Minister boasted that all parties will be involved in some way or other in reforming the other place, but for this Bill, which in many ways is much more controversial, no attempt at consensus has been made. From all my years as a Minister in Wales and in Northern Ireland, I know that any lasting settlement must be based on consensus and compromise. If not, it will not work and it will be a constant sore. That is my first charge against the Bill.

My second charge relates to Wales. The hon. Member for Brecon and Radnorshire (Roger Williams) thought the Bill was good, so he is agreeing that 25% of Welsh Members of Parliament must go after the next election. What he did not say—but we will—is that when people voted for the devolution settlement in 1998, they voted for a package. That package was not simply the establishment of the Assembly, but the continuance of Members of Parliament, at that level, here in the House of Commons to protect the interests of the people of Wales and their nation. If we have a referendum, and there are greater powers, that might change, but at least people would have voted on it. However, in 1998, they voted for the opposite—the retention of Members of Parliament.

The other issue to which the hon. Gentleman referred was the size of our constituencies, but he represents one of the biggest constituencies in the whole United Kingdom. If he had to have 76,000 electors, it would create an enormous—a preposterous—constituency, which would start in Crickhowell and finish in Wrexham; it would be the size of Powys. That is nonsense. The great problem with the proposal is that equal electoral districts do not mean absolutely equal arithmetical electoral districts, because that would be nonsense. In Wales, it would fly against our valley constituencies, the rural seats, county towns or other parts of our country where the link between the constituency Member of Parliament and the community is absolutely vital. That is why I vigorously object to the part of the Bill that would take away those links, whether they are based on geography, history or tradition.

That relates to what is in some ways the worst part of the Bill, which would take away from the British people the right they have had for generations to stand up in inquiries in their communities and object to, or agree with, whatever the Boundary Commission proposes. To take away that right is a real dereliction. Two years

before I entered the House in 1985, there were proposals to split my valley constituency into three. There was uproar, not just from the political parties but from the whole community—from the Churches, business people, trade unions, local authorities and ordinary people. They were able to go to a public inquiry, which was headed, for those of us opposed to splitting the constituency, by the late Sam Silkin. It was a great inquiry, because everybody was involved and the proposals were completely overturned.

We are now abolishing that right for local people, although it seems—the Minister might be able to deal with this point when he winds up—that when we are looking at boundaries for the Scottish Parliament, the Welsh Assembly or the Northern Ireland Assembly, there will still be a right to hold public inquiries in all those countries, but not for our mother of Parliaments in Westminster. That is wrong.

I hope that over the next few months we shall be able to change the Bill in Committee. I hope that those upstairs, in the House of Lords, will also be able to change it. They are called the watchdog of the constitution—I hope that they are not the Deputy Prime Minister's poodle!—but ultimately, the people of our country, in constituency after constituency, will object with great vigour to doing away with a system that, in my view, is the greatest parliamentary system in the world. By abolishing those rights, we do ourselves a great disservice.

6.26 pm

Mr Andrew Turner (Isle of Wight) (Con): This afternoon a delegation travelled from the Isle of Wight to present the results of an online petition to 10 Downing street. This evening I shall present the petition in the more traditional paper form.

The petition was organised by the cross-party OneWight campaign. Former parliamentary candidates, Mark Chiverton for Labour and Jill Wareham for the Liberal Democrats, were in the House. Kevin Smith, the chief executive of the island's chamber of commerce, and Richard Priest OBE, the non-political spokesman for the campaign, joined us. In a few short weeks, the campaign attracted support from more than 17,500 people.

Some people say that constitutional reform is a matter of interest only to political anoraks. That is not true in this case. Islanders do not want 30,000-plus voters to be transferred to a cross-Solent constituency.

On 15 July, the Deputy Prime Minister told the Select Committee on Political and Constitutional Reform, of which I am a member, that we must

"come to terms with the need for extensive political reform in order to re-establish public trust in what we do here."

He went on to say that in the past

"too much... power has not been sufficiently transparent."

I agree with the Deputy Prime Minister's words, but it is hard to reconcile them with his actions. His aim is for 600 Welsh, Scottish, Northern Irish and English constituencies of more or less equal size. He says he wants greater fairness for electors, yet he has arbitrarily decided that there will be some exceptions.

I support the principle that islands with no physical link to the mainland are a special case, but the Deputy Prime Minister has singularly failed to explain why Isle of Wight residents have not received similar consideration to Scottish island constituents. Like the Scottish islands, we are physically separate from the mainland, but our uniqueness is ignored. There has been no consultation and no explanation.

Unlike the Scottish islands, the Isle of Wight has no scheduled air service. It takes between 40 and 50 minutes to cross the Solent on a car ferry. Many Members take similar amounts of time on car journeys around their constituencies, but this is not a car journey, it is a ferry. Our car ferry needs to be booked in advance. At busy times, people frequently cannot get the crossing that they want. The cost of peak sailings can be more than £100 for a return ticket. If one misses the ferry, one must wait up to an hour and a half for the next one. Foot passengers face even more difficulties. There are also times when the ferries simply do not run due to adverse weather or sea conditions. In fact, many islanders rarely visit the mainland.

Living on an island with no rail or road links to the mainland is, in many ways, a joy, but one has to experience it to realise the challenges that we face. I hope that my hon. Friend the Member for New Forest West (Mr Swayne) will not be too upset to hear that the possibility of him representing West Wight has not gone down well. That is because islanders and the Lymington River Association hold different views about the need for a new Wightlink ferry. It was not until I moved to the Isle of Wight in 1997 that I fully understood that island life is really different.

In addition to the two Scottish island constituencies, there are other exceptions not subject to the strict principle of fair votes. There will be a cap on the geographical size of any constituency, and there are provisions that enable over-representation in Northern Ireland. The effect of those exceptions is that Scottish and Northern Irish votes may be worth more than English and Welsh votes. There may be good reasons for that, but they should be explained by the Deputy Prime Minister. He is rushing the Bill through, but has given no proper explanation for the exceptions. Nor has he said why he has ignored the case for treating the Isle of Wight differently.

Mrs Laing: There is considerable support in the House for my hon. Friend's case. There is no logical reason why the north of Scotland should be treated in a special way on the one hand, and the Isle of Wight should be completely ignored on the other. My hon. Friend has a lot of support from the people in this Chamber.

Mr Turner: I am very grateful to my hon. Friend. As I say, the Deputy Prime Minister has given no proper explanation. The island's media have asked for interviews; that would give him the opportunity to explain to islanders that he knows best about how they should be represented.

I wrote to the Deputy Prime Minister on 11 August, asking for information about how his exceptions had been decided on. I also e-mailed him, asking him to meet the delegation that travelled here today. I received no reply, despite my office chasing the matter up, and he did not meet the delegation. If that represents him taking direct responsibility for major constitutional issues, we are in deep trouble. I want him to explain the exceptions that he has made, so that my constituents

[Mr Andrew Turner]

can see that the island's case has been judged fairly. In the absence of any meaningful response, I can only conclude that his fine words about accountability and transparency are just that—fine words.

The OneWight campaign is a broad alliance of the three main political parties, island businesses and many other island organisations and individuals. The local council has indicated support for it, as have town and parish councils across the island. Many of my constituents want to retain one MP. Some would rather have two. I would be happy with either solution, but not with a cross-Solent solution. No one wants a one-and-a-bit MP. In my election address, I promised islanders that I would vigorously oppose any attempt to impose a cross-Solent constituency, and I will continue to do so until the special case for the largest constituency in the UK, and the smallest, is recognised.

6.34 pm

John Robertson (Glasgow North West) (Lab): It is a pleasure to follow the hon. Member for Isle of Wight (Mr Turner), who made good sense; he made some excellent points, as did the hon. Member for Na h-Eileanan an Iar (Mr MacNeil). A number of important points have been made about distances and sizes of constituencies.

I come from an inner city. I am the Member for Glasgow North West; it has affluent parts, but it also has very poor areas, and some areas of high deprivation. I have a problem, in that the people in those areas of deprivation do not vote. There are 5,000 houses in my constituency in which nobody is registered, yet I know that people live in them. That is 5,000 votes lost. Members mentioned how out-of-date the electoral rolls are, how that will make a difference, and the fact that by the time that we come to look at the issue again, they will be 10 or 20 years out of date, but the figures are regularly out of date. Even though we top up the rolls annually, there are still those 5,000 houses in which the people are not registered. There are also people who say that they live alone but do not. There are people who share their house, but who register only one person at that address, because that gets them a reduction in their council tax.

It is not beyond the wit of man or woman to work out a roll that does not just use the council's way of carrying out registration. There are other methods by which we can gather information on who lives in a house, and who receives benefits of various types. We can do that, but not overnight. The Bill is a galloping horse that has taken off, and there is no stopping it, no matter what. The Deputy Prime Minister talks about fairness, but we on the Labour Benches are not kidded. We know fine well what the proposals are all about; they are about trying to put down the Labour party and Labour Members. They are about making sure that the Labour party never comes to government again. Well, we are going to stop that. It has been tried before, and the Labour party has always bounced back.

Iain Stewart (Milton Keynes South) (Con): Judging from the Library note, the hon. Gentleman's electorate number 61,000. If one adds on the 5,000 thousand electors that it is claimed are missing—or even if one adds 10,000—it puts the electorate for Glasgow North West at about 70,000. My electorate in Milton Keynes South number nearly 90,000. Is that fair?

John Robertson: That is the problem that I will discuss in my speech. I would hazard a guess that I have a lot more problems in my constituency than the hon. Gentleman does in his, even though it probably has the best MP it could possibly have. The fact is that we are disadvantaging the disadvantaged. The poll tax tried to do the same; Margaret Thatcher introduced it deliberately to get people off the electoral roll, so that people would not vote Labour. That was tried; it was run in Scotland before anywhere else, but—the hon. Gentleman may not know this—the Conservatives have only one Member of Parliament north of the border. After the next election, there will be one Liberal Member of Parliament there. Everybody will complain that all those who come to the House from north of the border are either Labour or from the Scottish National party, but it will be the Conservative and Liberal parties who brought that about. They are the ones who have made sure that their parties are not electable.

The Conservatives and Liberals do not even listen to their parties north of the border. The Liberal party will do its best to try to make sure that it gets seats, but I would not mind betting that the people around Inverness will go back to Labour; they used to have a good Labour Member of Parliament, and will return another Labour Member.

It will come as no surprise to everybody who knows me that I will not be voting for AV. However, I will not be able to campaign on the issue, because I will be too busy campaigning in the Scottish elections. Not only is there a first-past-the-post side to them, but there is a list system, too. There are now two systems that I need to promote and try to explain to the people of Scotland and, in particular, of my constituency, so that they know how they should vote and how they can get the best returns for a Labour candidate. Now, the Government are saying that we have to have a vote on AV as well; we have to have a referendum.

The issue is not that there is confusion in filling in ballot papers, although 100,000-odd people were disfranchised in the last Scottish election because two questions were put on the one ballot paper, as has been mentioned. That does not work; it confuses people when there are two different votes on one ballot paper, to such an extent that we have managed to ensure that there will be two ballot papers.

Daniel Kawczynski *rose*—

John Robertson: I give way to my hon. Friend; he is my hon. Friend on this subject.

Daniel Kawczynski: Does the hon. Gentleman agree that there should be one voting system for all elections in the United Kingdom, and that that should be first past the post?

John Robertson: The hon. Gentleman is right. If we are to introduce PR, let us have the same voting system for every form of election. Let us have the debate on whether PR or first past the post is the way to go. I am happy to have that argument, but I cannot do that north of the border because the Scottish elections take place at the same time, and I want to ensure that the Labour party is returned in Holyrood. I cannot do that if I am arguing about what sort of system we will have.

The hon. Member for South West Devon (Mr Streeter), who is no longer in his place, mentioned how many letters he had received on AV and produced a blank piece of paper. I agree with that. I cannot remember receiving one letter about the voting system. Other than the people in the House, nobody cares. One can tell from the number of people in the Press Gallery how much they care: they are not here. The Deputy Prime Minister is not present. He could not even wait until the first Opposition Back Bencher stood up to speak before he left. What chance is there of a proper debate if the Member proposing it from the Dispatch Box is not here to listen to the arguments? In effect, we are talking to ourselves, and I hope we are all enjoying the speech. Not long to go.

The most important thing to the people of Glasgow North West is to get an elected representative who they know is theirs. We have heard an argument for changing parliamentary boundaries, but that is not possible. How can people get to know their own constituency, the area represented by their Member of Parliament, how do they get to know that Member of Parliament, and how does the Member build a rapport with constituents and know that he is representing them in the way that they want him to?

We have already been through that in Scotland. We lost 13 seats for the 2005 elections, and constituencies changed. I am fortunate to have been a Member of Parliament since 2000. It was very difficult to get used to the new part of my constituency, which was previously represented by George Galloway. It was different then because he sought more publicity than I do. It was important for me to get out and about in that area, but because of the deprivation in my own area, I had to spend as much time as possible there. As has been pointed out, people's expectations of their Member of Parliament are greater than 10 years ago.

We on the Labour Benches are not fooled. We know what the Bill is all about. I call on all Members to join us in the Lobby and vote against it.

6.42 pm

Mr Mark Williams (Ceredigion) (LD): It is a pleasure to speak in the debate on the Bill, which gives us the opportunity to improve our electoral system and to eradicate some of the unfairness that has existed for a very long time. We have the opportunity to debate not with academics, not with think-tanks, not with the various organisations that presented briefings to us before the debate, but with the British people, and to assess whether they want to change the voting system.

Jim Dowd (Lewisham West and Penge) (Lab): Will the hon. Gentleman give way?

Mr Williams: I will not give way, if the hon. Gentleman will forgive me. Time is short.

When we consider the ability of the current system to reflect the views of the people who elect us, we should remember that only 33% of us were returned with more than 50% of the vote. AV has a number of strengths. Although it is not ideal—I say that as a Liberal Democrat—it is certainly preferable to first past the post as we know it. It allows voters to express genuine preferences, and it removes most of the opportunities and the need for tactical voting. Guilty as charged—in my campaigns I have used those two-horse race leaflets remorselessly. I imagine that many in the House have done that as well.

By allowing us to have a system of preferential voting, AV means that people can go into the polling station and vote positively for candidates on the basis of preference, casting votes on party lines, but also according to whether they think a candidate would be a good MP or against an MP who they think has taken constituents for granted. The right hon. Member for Derby South (Margaret Beckett) was right. It is not a proportional system. However, AV will usually produce a more proportional outcome. Although greater proportionality is not an argument for the adoption of AV, I would rather have that system than our present one.

It has been said in the debate that the electoral system is not a burning issue—that MPs' postbags are not full of letters from people demanding a change. That is certainly the case. I have had one letter from a constituent of mine who wrote passionately about these issues, but the polling evidence suggests that there is a wish on the part of the electorate to explore these issues further. A ComRes poll from 2 June—significantly, after the election—found that 78% felt that the voting system should be changed to one that would produce a more proportionate outcome. That suggests that people do care about the electoral system that we use, whether or not those concerns are currently communicated to us.

Given the lack of support for the present system, it is only right that we give the people—the ultimate arbiter on the issue—the choice of an alternative. On that, from the Liberal Democrat Back Benches, I very much concur with the view that the hon. Member for Brighton, Pavilion (Caroline Lucas), who is not in her seat, has been advancing about the extent of that question—whether it should just be an AV question or whether there should be an opportunity for us to explore STV or any other system.

As the debate has highlighted, the most controversial aspect of the Bill is the reduction and equalisation of parliamentary seats and whether we should reduce the number of Members available to carry out the work of Parliament. We need to have that discussion. The most compelling argument that I have heard this afternoon was from the hon. Member for Aldridge-Brownhills (Mr Shepherd) in his comments about the balance between members of the Government, Opposition Members on the Front Bench and our capacity as Back Benchers to hold the Executive to account. It would be fair to say that in terms of the economic arguments for deficit reduction, the Bill is more symbolic than substantive. We need to look at the requirements of the House.

There has been much talk about gerrymandering. The recent democratic audit study found that under AV the Conservative party would have lost 13 seats, the Labour party 25 and my party seven seats. The hon. Member for Cardiff North (Jonathan Evans) made the point that Labour has unquestionably won more seats in recent years on the basis of unequal electorates. That is one of the reasons why many of us feel that that unfairness should be corrected.

In my final minute and a half, I turn to the situation in Wales and the concern expressed so eloquently, as usual, by the right hon. Member for Torfaen (Paul Murphy) and the spectre of Wales losing a quarter of

[Mr Mark Williams]

its representation in the House. There is a depth of feeling, not just among the chattering classes and around *The Western Mail* and other papers, about the prospect of losing in one fell swoop 25% of the Welsh voice at Westminster. I hope the Minister will acknowledge that concern.

I have always taken the view, as has my party, that the time when powers are shifted from the House to the National Assembly for Wales in Cardiff is the time when we should be articulating the case for reducing the number of Members of Parliament at Westminster. We will have our referendum. I applaud the Government for that, although the timing is not ideal. The date must be announced soon. It should have been in September; it will probably be in March.

We need to look at the arrangements for the National Assembly. As I pointed out in an intervention on my hon. Friend the Member for Brecon and Radnorshire (Roger Williams), the decoupling is important. There was a fear that we could lose numbers of seats in the Assembly, which would diminish its work.

I will vote for the Bill because it reconnects this place through a referendum—

Mr Deputy Speaker (Mr Hoyle): Order.

6.49 pm

Chris Ruane (Vale of Clwyd) (Lab): There is much wrong with the Bill, or Bills—I think there are two separate Bills, which have been woven into one for political expediency—that have been presented today. As highlighted in the Opposition amendment, the Bills are top-down, hasty and undemocratic, and by their very nature they have lost their bipartisan appeal across the House. However, my main complaint is not what is in the Bills, but what is left out. There is no reference to any action on under-registration.

I have been interested in that issue since 2001, when my hon. Friend the Member for Dumfries and Galloway (Mr Brown) informed me of the massive drop in my electorate and the electorates of many MPs across the UK. Since then, I have tabled hundreds of parliamentary questions, spoken dozens of times in Parliament, and met people at the Electoral Commission and various Ministers, but the position remains the same—3.5 million people are missing off the register. Poll tax is one of the reasons for that.

The Government say that the Labour Government did nothing to get those 3.5 million people back on to the register, but we did take steps, and they were not partisan. In 2001, we introduced a measure that said, "If you, or the head of the household, do not personally sign the register for two years on the trot to keep your name on it, you will be taken off." That was detrimental to the Labour party and the Labour Government, but we took that step because it led to clarification and to improved quality. Many of us complained at the time, although we were not listened to, but it was done for the best purposes.

When I asked the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper), what type of person was missing off the register, he said that no national estimates had recently been made. However, the Electoral Commission found in its 2005 report, "Understanding electoral registration", that based on data from 2000, 17% of ethnic minority individuals, 22% of students, 10% of those renting from a local authority, 11% of those renting from a housing association and 18% of unemployed people were missing off the register, and that areas with the highest levels of unemployment and income deprivation had the highest levels of non-registration. It has been shown that under-registration and inaccuracy are closely associated with the social groups most likely to move home across all seven areas in phase 2 of the study. Under-registration is notably higher than average among 17 to 24-year-olds, with 56% not registered. In addition, 49% of private sector tenants and 31% of British resident black and ethnic minority groups are not registered.

Mrs Laing: Will the hon. Gentleman give way?

Chris Ruane: No, I will not. I had enough of the hon. Lady's nonsense in a previous intervention, which I will come to in a minute.

In the Electoral Administration Act 2006, we tried to put pressure on electoral registration officers to ensure that they did their job properly, and progress has been made. Best practice is out there, but it takes time. I have managed to improve the situation in my constituency. Working closely with the electoral registration officer, we have put an extra 6,000 people on to the electoral register, 1,000 of whom were in a ward with houses in multiple occupation. I pay tribute to the work of Gareth Evans, the electoral registration officer in my constituency who has brought that about.

Individual registration is opposed by many Labour Members because we know that when it is introduced the electoral register goes down by 10%, as it has in Northern Ireland, and that the people who come off the register are the poorest in society. We were prepared to accept that because the previous Minister, my right hon. Friend the Member for Blackburn (Mr Straw), said that individual registration would go hand in hand with increasing the register.

I predict that the Government parties will blow a hole in the consensus and go for rushed individual registration, taking another 4.5 million people off the register in addition to the 3.5 million who are already off it. That bipartisanship will be lost for a long time unless they get those 3.5 million people back on to the register. The Deputy Prime Minister can talk in high-falutin' language about the Reform Act of 1832, but if they are going to take 8 million of the poorest people off the register, and keep them off, they know that they are doing wrong. The British people deserve better than this.

6.54 pm

Mrs Anne Main (St Albans) (Con): I have listened with interest to this debate, because I am deeply unhappy about the yoking together of the two elements of this Bill. My hon. Friend the Member for South West Devon (Mr Streeter) said that not a single person had contacted him about AV as something that concerned them. I am in exactly the same position, and I suspect that the postbags of many other right hon. and hon. Members have not exactly been stuffed with correspondence saying that this needs to be an immediate reform in a new Parliament. I have many concerns in my constituency about hospitals, funding, and exactly what is happening to jobs, but AV has not been a pressing concern.

I have come into this Chamber feeling deeply sceptical. I support the idea that we should have more equality among constituencies, and there is a pressing case for addressing that particular element, but AV has been slipped into the Bill as a result of horse-trading—I can put it no other way—to make the coalition work. Some of us fought deep and bitter battles to get re-elected, against the very people who said, "Don't re-elect that nasty Tory," and here I am: I was elected as Member of Parliament for the good people of St Albans, and I serve all of them, not only the Conservatives. Like all hon. Members, once I put on the hat that means that I am privileged to be representing the constituency, I represent every single one of my constituents without fear or favour, including political favour.

I find it somewhat puzzling that, as my right hon. Friend the Member for Haltemprice and Howden (Mr Davis) said, we should be going for the election of the bland. Why do we have to have the rubber chicken version of a Member of Parliament—something that offends nobody and pleases nobody in equal measure? AV was not in our election manifesto. I do not mind a Whip sitting close to me, as one did about an hour ago, and encouraging me to support my manifesto, but I do mind being pressed on something that I am struggling with as a very loyal and non-rebellious member of my party and this Government. I came here thinking, "I'm not quite sure whether I'm going to abstain"—I despair of abstaining because I was not put here by the people of St Albans to do that—"or whether I should vote against this because I don't feel I should be wholeheartedly supporting it." However, I have listened to wiser heads than mine who said, "This is not the time—wait until Third Reading."

I hope that those people out there who are listening to how we are behaving and making our comments will note that for many of us it sticks in our throats to have to support that particular part of the Bill. We will listen to exactly what happens in Committee. As we have heard, there are several things missing from the Bill, so there will be deep unhappiness in all parts of the House about addressing something that we do not have as a pressing concern.

Barry Gardiner (Brent North) (Lab): Does the hon. Lady agree that it might make better sense for her to oppose the Bill on Second Reading, see what the Government do, and if they do what she wants, then vote for it on Third Reading? The Whips' mantra throughout the ages is, "Oh, wait until Third Reading"—but they've got you by then.

Mrs Main: As someone who looks like he might have been got in a way that perhaps I could not be got, I accept what the hon. Gentleman says. That is one thing about being a woman—we do not have bits to grab that other people have.

Rebellion is a serious thing. If someone rebels against every single thing, then no one takes them seriously when they mean it. I am not a serial rebel, but I have had it up to here with this, as I am sure that many of my hon. Friends have. I try to support my Government, but I hope that they respect the fact that some of us are not just Lobby fodder but are trying to do our best by a coalition Government for this country—that we will swallow some of this, but only so much. There should be greater recognition of the fact that some of us believe that AV is probably the least sensible and least palatable solution—a solution that not even my Liberal Democrat opponents in St Albans were encouraging people to think of on the doorstep. I am surprised that the Liberal Democrats who are in coalition with us are supportive of this measure. It delivers the worst of all options, and I am deeply unhappy about it.

I am pleased, however, that we are tackling the issue of boundaries, which have been a problem for many voters who feel that the sizes of constituencies are definitely unequal and do not respect boundaries as they should. I have huge sympathy with my hon. Friend the Member for Isle of Wight (Mr Turner), who had a great point to make.

However, I will not make my rebellion on this issue tonight. I respect the comments made by the hon. Member for Brent North (Barry Gardiner) about the Whips, but listening to my colleagues in the Chamber has led me to this decision. If we are to have a Government who deliver on the difficult things, let us not make this into a huge argument over something that none of us wants. I do not believe that, if asked for their ideal solution, a single Member in this Chamber would have gone for AV. AV is the least palatable option and will leave us with the least palatable Members of Parliament.

I shall sit down soon, as I know colleagues wish to speak. As I said, many wise heads in the Chamber will be rueing the day we got ourselves in the nonsensical situation of having to support AV—given that if we were asked, in a general question, whether we liked AV, we would all have said no. I do not know how we ended up with this cobbled-together thing. I accept that it is part of the troika—the coalition of three horses pulling in different directions and the attempt to get them all to go the same way. However, I regret that our Government and my Conservative party should be having to consider something that under normal circumstances we would have consigned to the dustbin.

7.1 pm

Mr Nigel Dodds (Belfast North) (DUP): It is a pleasure to follow the hon. Member for St Albans (Mrs Main), whose speech has demonstrated an aspect of what has been an interesting debate. I have sat through a fair amount of it, but have heard few speeches from any party that have been in favour of the Bill. I am sure that that will be reflected in the vote later; I certainly hope so.

I shall deal mainly with the reduction in the number of seats in the House. We welcome the fact that the Prime Minister declares himself to be a Unionist. However, from a Northern Ireland perspective, it is an irony that one of the first things that this self-declared Unionist Prime Minister should have put forward is a proposal to reduce the representation of Northern Ireland in Parliament, given that it was a concession from a Labour Government back in the 1970s that increased the number of seats. That irony will not be lost on the people of Northern Ireland; it certainly will not be lost on those who voted for the Ulster Conservatives and Unionists New Force, or UCUNF, alliance. The Prime Minister did not tell the people of Northern Ireland about the proposal when he was campaigning for votes there, in alliance with the Ulster Unionists; the people, of course, gave

[Mr Nigel Dodds]

their answer to that call. Voters will feel entirely vindicated for having given their overwhelming endorsement to the Democratic Unionist party.

I entirely agree with what the right hon. Member for Torfaen (Paul Murphy) said about the need to build a coming-together and consensus among all sections of the different parties in the House on major issues of constitutional and political reform. That clearly has not happened on this issue. It has been rushed through. The hon. Member for Nottingham North (Mr Allen), the Chair of the Political and Constitutional Reform Committee, eloquently laid out the lack of pre-legislative scrutiny given to the Bill. This is a major reform, yet it is being rammed through the House as a result of a coalition agreement.

The hon. Member for St Albans graphically described the nature of that agreement. No mandate for this measure was sought at the last election by either the Liberal Democrats or the Conservatives. At the end of the day, if the Bill goes through the House and there is a referendum, I fear that the people of the United Kingdom will give their vote in dramatic terms—delivering a verdict not only on the issue, but on how it has been handled by the coalition Government.

Dr William McCrea (South Antrim) (DUP): Does my right hon. Friend agree that there is a public concern that our politics is being manipulated for self-interest rather than the good of democracy? That is exemplified by the undue haste with which this legislation is being taken through and by the lack of scrutiny.

Mr Dodds: My hon. Friend endorses my point.

On the relationship between the Bill and the devolved legislatures, clause 11 makes special provision for Wales and will ensure that the constituency boundaries for the Welsh Assembly continue. However, the Northern Ireland Assembly constituencies are tied to the parliamentary constituencies. Therefore, a reduction in the number of constituencies there would have a knock-on effect on the composition of the Northern Ireland Assembly. Has the Northern Ireland Assembly or any party therein been consulted thus far? Have the First Minister, Deputy First Minister or any of the Executive parties been consulted? No, they have not, yet there is a major implication for the make-up of the Assembly, which came about only after much intricate, complex and delicate negotiation. At the very least there needs to be a proper consultation and dialogue with the Northern Ireland Assembly parties. Their views on what affects the composition, operation and good functioning of the Assembly need to be taken into account.

A related point has been raised by the Scottish nationalists about the date of the referendum and the difficulty of having a number of elections and a referendum on the same day. On 5 May 2011, we in Northern Ireland face the prospect of having an Assembly election, a council election and a referendum. Northern Irish people are adept at switching between different electoral systems and voting on the same day in different elections. However, it would be unconscionable to hold a referendum and two sets of elections on the one day. Something needs to be done about that, but certainly not at the expense of the elections; in my view, the referendum should be moved to a different date.

I agree with the points made about doing away with the process of transparent representation in respect of the boundary review; that is a very retrograde step. Electors and their representatives are entitled to give evidence and cross-examine in person and to have these important matters examined face to face, not just in writing. It is absolutely wrong for the Government to rush through the nationwide review of boundaries and put in a provision that does away with that face-to-face, open, transparent evidence-taking and cross-examination. Those are a vital part of any boundary review because they allow the issues to be explored in great detail. They allow people to see the common sense as a consensus emerges. At the end of the day, if things are not done openly there will be no transparency and no way of knowing what weight a boundary commissioner will give various elements.

There is also the issue of cost. Up to £100 million is to be spent on all this in the next period, while we are being lectured about the need to cut back drastically—some departmental expenditure is to be cut by up to 25%. All that is involved, yet, let us face it, the vast majority of people have no interest in the issue being pursued. I urge caution. More time should be taken so that we can get a cross-party, consensual approach involving all parties and all the legislatures and representatives from the various constituent parts of the United Kingdom.

7.8 pm

Mr Bernard Jenkin (Harwich and North Essex) (Con): I fear that many right hon. and hon. Members are finding this Bill to be a rude awakening to the realities of coalition politics. I support the Bill, albeit reluctantly, because I support the coalition. I support the coalition because at the time of the election we faced a crisis and a deficit and we urgently needed to form an Administration with a prospect of being able to tackle that deficit. However, I did not—and still do not—support changing the voting system. I am reminded that Ipsos MORI regularly polled the electorate in the run-up to the election and never more than 1% raised constitutional matters as a matter of urgency. Yet the House is to be deeply preoccupied with such matters as a result of this unsatisfactory coalition agreement.

The coalition was formed, with the best of intentions, for the benefit of the nation. Obviously, not everybody in the House would agree with that. However, let us have no doubt that the Bill is the product of party politics. I believe that it is in the national interest to equalise constituencies, but I do not know whether it is in the national interest to combine that issue with a referendum on the alternative vote. One is reminded of Disraeli's dictum that England does not love coalitions. If the general public were forced to watch this debate, they might arrive at that conclusion rather more quickly than Members on the coalition side of the House would want.

The Bill is the worst advertisement for the coalition: a product of backroom party political horse-trading resulting in a measure—the alternative vote referendum—that neither coalition party supported in its manifesto. We have to accept that as the reality of coalition politics.

Jim Shannon (Strangford) (DUP): Does the hon. Gentleman agree that this is the most shabby style of legislative change that we have ever seen in the House?

It ignores the opinion of the general public and the views of elected representatives, and it is pushing through a legislative change that the people do not want. The people of Northern Ireland certainly do not want it. Does he agree that we should kill it at its second stage tonight?

Mr Jenkin: I do agree, but I think the hon. Gentleman is a new Member, and it is a feature of politics that Governments frequently push through things that people do not like—he will get used to it. The point is that the alternative vote is an orphan voting system. The Labour party is split over it, the Conservative party wants to keep the current voting system and the Liberal Democrats really want the single transferable vote.

Let us remind ourselves that AV is no more proportional than the current system. Indeed, it was rejected by the Jenkins commission in 1998 precisely because

"it might increase rather than reduce disproportionality".

It does not mean fair votes. I hear Take Back Parliament, Unlock Democracy and all those pressure groups talking about fair votes, but they are wondering whether AV is the bandwagon that they should jump on. We watch with interest.

The myth of fair votes is further exposed by the fact that the alternative vote creates two classes of voter: one whose votes are counted once; and another, such as people who vote for the UK Independence party, the British National party or tiny parties, whose votes are counted again and again. As Winston Churchill argued, the alternative vote would mean that elections were decided by

"the most worthless votes for the most worthless candidates".

For that reason, it is not a very good system.

Nor would the alternative vote abolish safe seats. I keep hearing that myth, but in Australia something like 43% of seats are considered safe. In 2005, some 371 seats were won by more than a 15 percentage point margin, and they are likely to remain safe. AV does not get rid of safe seats; it institutionalises tactical voting. It may be a different sort of tactical voting from what we have now, but rest assured there will be tactical voting. Finally, the alternative vote lacks the elegant simplicity of the most popular candidate winning, which is the system that is most widely used throughout the world and has served our democracy for 300 years. I think that we should stick with that.

I have never before spoken in a one-day debate that has been curtailed by a statement before it in which 74 Back Benchers have applied to speak. I ask myself, why the rush to timetable the Bill through on a guillotine, for that is what it is? Although I will support Second Reading, I will not support the timetable. It may be a generous one, but why do we not see how the debate goes before we give licence to all the filibusterers who will fill up the time by saying nothing much at all to stop people raising salient points, which is what inevitably occurs when there is limitation on the time of debate? Let us see whether the Government will genuinely engage with those who want changes and alterations to the Bill before we agree to any kind of guillotine.

Why the rush to hold the referendum on 5 May 2011? I return briefly to the Electoral Commission, not in its rather supine form that we see today but as it used to be in 2002, when it faced down Tony Blair, who wanted to have a referendum on the euro at the same time as the Scottish and Welsh elections in 2003. It stated:

"Referendums on fundamental issues of national importance should be considered in isolation"

and that

"the turnout of combined polls can have varied results. As such, the benefits do not appear so great or definitive as to automatically over-ride any potential problems".

It continued:

"It is hard to avoid the conclusion that combining an election and a referendum can have a distorting effect on the conduct and outcome of both polls. Specifically, a combined poll may be perceived as being an extension of the political process as well as being for the sake of turnout. By not disengaging the referendum from the political process the Government risks jeopardising the integrity of the result".

It also warned of the dangers for broadcasters:

"Distinguishing between election and referendum activities will be extremely difficult, if not impossible in some instances."

If we are to have a referendum on an unwanted voting system in this country, let us at least have a fair referendum on a fair, separate date.

7.16 pm

Emily Thornberry (Islington South and Finsbury) (Lab): So this Bill will apparently be the biggest shake-up of democracy since 1832; well, in Islington we know a few things about radicalism. We elected Tom Duncombe as our Finsbury MP in the 1830s. He wanted a universal franchise, so he presented the Chartist petition, which was signed by 3,315,752 people. That is radicalism, and that is what I call a real shake-up. This Bill is simply wrong, and it is not radical. Given how little time I have, I wish to focus on just a couple of matters. The first is the fact that it ignores a whole swathe of the residents of my constituency, and the second is the issue of AV.

It is estimated that more than 77,000 adults live in my constituency, but under the Bill only 66,400 will count. The others will be non-people. Far more of my constituents will become non-people under the Bill than, for example, in Witney, where there are approximately 82,000 adults, 78,000 of whom will count. I see the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper), looking confused, so I shall explain why there is a difference.

First, there is the group of people who do not register to vote. According to the Electoral Commission, they are exactly the people of whom we have large numbers in my constituency. Half of young people do not register to vote, along with half of private tenants and a third of the black and minority ethnic community. There are not many young, black private sector tenants living in Witney, or in Maidenhead or Sheffield Hallam. It is no wonder the rate of non-registration for inner London is 18%. In Islington, our low registration was notorious. We reached the lowest point before the 2006 local elections, when the Liberal Democrat council achieved a measly response rate of 67%. When we challenged it to have a BME registration drive, the deputy leader of the council shouted across the council chamber, "That's how we win elections." As one can imagine, there was a huge row. To cut a long story short, as a result, in the 2010 election there were 9,000 more voters in Islington than there had been in 2005. Some 60% of them voted, and guess what? Six thousand more people voted Labour in Islington.

[Emily Thornberry]

The second group of non-people that will be created in my constituency is those who come from outside the EU or the Commonwealth, many of whom are very political. In fact, they come from countries where the Governments believe they are far too political, which was why they had to come to this country in the first place. Many of them would love to vote, but they are not allowed to do so because they are not yet British citizens. Under the Bill, they will not exist. They will be non-people.

The third group is very important as well. They can vote and are on the electoral roll, but they do not vote in the right type of elections. In my constituency, I have 6,500 EU voters who, like Mrs Clegg, will not count under the Bill. That is 8% of the adult population there. As an MEP, the right hon. Member for Sheffield, Hallam (Mr Clegg) used to care about those people, but now he seems to have simply forgotten them, and they are to become non-people. According to the Library, more than half the countries in the world count entire populations when deciding on the size of constituencies, including France, Italy and Portugal. That is what we should be doing, rather than making 11,000 of my constituents non-people.

If that were not enough reason to oppose the Bill, I have another: I am against AV. My reasoning is simple: our current system builds a direct relationship between the community and its MP. Residents come together to decide whom they most want as their national representative; no one has more than one vote, which has to be cast responsibly; we are all equal and the first past the post gets elected. It is simplicity itself and it does not exclude anyone through being a complicated system or because people do not speak English as their first language. Some people scoff at the argument about complexity, but we can see from the London mayoral elections, in which five times as many ballot papers were spoiled as in the general election, that simplicity is important when trying to include everyone.

Of course, there are criticisms to be made of the current system, but AV will not resolve them. If AV brought us honest politicians, I would be a proud Finsbury MP, bringing another huge petition to Parliament, but it does not do such things and that is why the public are supremely uninterested in it. We should not spend our time on it.

The Bill is party political—a measure simply to prop up the coalition. I ask myself what Duncombe would make of it—of a measure that allows 11,000 adults in my constituency not to count in national policy. I am sure that he would be appalled at the use of the cloak of radicalism and the great cause of electoral reform to wrap around a sectarian measure. The Bill is designed merely to serve the interests of the ruling parties and to help prop up the wretched coalition. It will not improve people's lives, and I will vote against it. I would use my second, third, fourth and fifth preferences to vote against it, too.

7.21 pm

Greg Mulholland (Leeds North West) (LD): It is amazing how many Labour Members seem to have forgotten that their manifesto stated that they were in favour of the alternative vote. It suggests that the hon. Member for Islington South and Finsbury (Emily Thornberry) has more in common with a rather less radical Islington resident—Tony Blair—than the people whom she described. We are slightly missing the point, because the Bill is about a referendum. The hon. Lady is entitled to her view that first past the post is the best system, though that is extraordinary in the light of the expenses scandal and the fact that so many MPs were not accountable. However, we are not debating that, but whether we should put the matter to the British people.

The hon. Member for Harwich and North Essex (Mr Jenkin), the Chair of the Select Committee, is right. Of course the Bill is a compromise; of course Liberal Democrats would have preferred also to put—perhaps only to put—the single transferrable vote to the British people, but the Conservatives did not want to do that. That is the nature of consensus politics. We have to be a bit grown up and accept that. However, I am not going to talk about that aspect of the Bill. I will talk about matters that worry me, because some elements need greater parliamentary scrutiny than they appear to be getting.

I agree in principle on generally equal-sized constituencies. Who would not? However, it is genuinely concerning that the Bill proposes that without regard to local authority boundaries or council ward boundaries, as well as some of the geographical issues that have been raised. It should cross those boundaries only in exceptional circumstances. That matter needs greater scrutiny and I am surprised that no other hon. Member has raised it. Every time a boundary change occurs, there is real chaos. It is difficult for all who stand as candidates, very difficult for all who are incumbent Members, and confusing and unfair to constituents. As soon as the boundaries are redrawn, there are two classes of constituent. One class can vote for the incumbent again—clearly, one will focus one's campaigning effort on them—and another class cannot vote for the incumbent at the next election. One serves the latter if they come to see the MP, but one cannot sensibly—given that one's career and, indeed, one's livelihood, is at stake—put the same amount of effort into those areas. I therefore strongly oppose changing boundaries every five years. We should consider changing them more frequently than currently happens—perhaps every 10 years. Such an amendment should be tabled.

My hon. Friend the Member for Winchester (Mr Brine), who is not in his place, and I were discussing the confusion that can arise. In his constituency, there is an area—Chandler's Ford—that has been in four different parliamentary seats in recent years. That is simply not fair on people in such areas. We should remember the impact of boundary changes on the ground.

Fiona Mactaggart (Slough) (Lab): Does the hon. Gentleman share my anxiety that the timetable for the first round of boundary reviews, which has to be completed by October 2013 across the nation, and in which all results will be announced at the same time, means that throughout the country thousands of people will be in the limbo that he describes?

Greg Mulholland: I agree. We are all in limbo now because of the Bill. I believe that we should not make boundary changes until after the next general election. We should introduce the proposals then.

Registration has been rightly discussed. As many Members recognise, there is a huge problem, which the previous Government did not tackle adequately. Compulsory registration has been suggested, but how many people would be fined for not being on the electoral register? How many people are aware of the hundreds of thousands of people who are not on it? We must examine that. Those of us who represent areas with large student populations have a particular interest in the matter, which has simply not been considered.

I represent Headingley, which has a large student population. Many students are either double-registered—in Leeds North West and at home—or choose to register in one or the other. Double counting can then occur, which suggests that those people have not voted in the general election. That is wrong and accentuates and exaggerates a problem of student apathy. I often knocked on doors in the previous election campaign, and the people said, "Yes, we've voted Liberal Democrat." I said, "Thanks very much", and then they said, "Yes, back home" in Derby, Newcastle, London and so on. They are considered not to have voted in Leeds North West and the turnout figure is therefore false. I do not necessarily suggest that we should provide for students to be registered only in one place, but we need to address the problem.

I made it clear during the previous election campaign that I opposed the measure in the Liberal Democrat manifesto to reduce the number of MPs. I made no bones about that. Some bogus comparisons have been made with larger countries with fewer MPs. We are not comparing like with like. There are different systems, often with list MPs, who simply do not do the same job. Let us consider Germany. The Library provided a note, which quoted from "Electoral Systems: A Comparative Introduction". It cites Geoffrey Roberts, who stated that German MPs do not have

> "a sensitivity toward the constituency relationship; it did not exist before 1949, and has not been highly developed since then".

Even the Ministers in the House have a hugely important role in representing their constituents. As soon as the number of MPs is reduced, even by 50, it takes us further away from our constituents, and makes it harder for us to fulfil that role. It might save some money, but we will realistically need more staff to deal with even another 5,000 or 10,000 constituents. I therefore reject that aspect of the Bill.

I accept that the Bill is not the right place to deal with the next issue that I want to raise, but it must be addressed. The missing bit of devolution—the English question—is not in the Bill. I am pleased that the Deputy Prime Minister suggested that it would be considered. That must happen, because the English are currently represented only by MPs whereas the Welsh and the Scots have Members of the Scottish Parliament and Welsh Assembly Members. The matter must be tackled so that the English are no longer the poor relations.

We need more time to consider the Bill. I fully support putting the question to the people of this country of whether they want a different voting system, but we must have more time in Parliament to consider the issues that have simply not been adequately thought through in the Bill. It is time for Parliament to show that it is the best Parliament in the world for doing that.

7.29 pm

Mr Wayne David (Caerphilly) (Lab): This is a far-reaching Bill, and it should have been the subject of pre-legislative scrutiny. What is more, there should have been prior consultation with the devolved Administrations in Northern Ireland, Scotland and Wales, not least because the planned date of the AV referendum coincides with elections there.

However, I wish to focus primarily on the situation in Wales, where the Bill would bring about a dramatic change—a reduction of 10 MPs out of a total planned reduction of 50. A 20% reduction is unfair for Wales, especially when we consider that Wales has only 5% of the UK population. Some say that Wales is over-represented, but I would query that very strongly, and point out that Wales is a nation. It is an integral part of the United Kingdom—it has been joined to England since 1536—but let us not forget that it is a distinct country, with its distinct language and history, and social and political priorities. That has been recognised historically. That Wales has the representation it has is not the result of some Labour fix in the past, but because the British Parliament has historically recognised that Wales is a distinct nation with distinct needs. That must be addressed properly.

It has been mentioned that Wales has its own National Assembly—that is true—but it is important for us to remember that that is a secondary legislative body only. There may well be a referendum in Wales in the near future on giving the Assembly more powers, but let us not forget that even if that referendum is successful, we will still have a situation in which many powers are not devolved to Cardiff. Benefits, macro-economic policy, home affairs and broadcasting would be non-devolved, and there would still be a block grant from Westminster to Cardiff bay.

It is also important to recognise that, post-devolution, Welsh MPs have a crucial two-way relationship: they of course have a relationship with their fellow Westminster MPs, but they also have an important relationship with Members of the Welsh Assembly. In fact, under the Government of Wales Act 1998, primary legislation is effectively agreed by Westminster, and Welsh MPs have a critical role before powers are passed down to Cardiff bay. As a result of devolution, the role of Welsh MPs has increased and become more important. That is why the reduction in representation for Wales is fundamentally wrong and unfair.

There is absolutely no recognition in the Bill of the distinct geography of Wales, including the fact that we have very large rural areas and that in the south of Wales we have deep valleys, every single one of which has a distinctive sense of community. It is inevitable that if the Bill reaches the statute book, we will have monster constituencies in which individuals will be represented by Members of Parliament with whom they feel absolutely no affinity. That must be wrong and fundamentally undemocratic.

Another important point to make is that the appalling suggestion that public inquiries should be abolished is a fundamental undermining of democracy. When the Boundary Commission last looked at boundaries in England, 64% were changed following consultation via public inquiries. There were also changes in Wales. The Boundary Commission there proposed a change to the

[Mr Wayne David]

boundaries of my constituency of Caerphilly and the Islwyn constituency. There was a local hue and cry, representations were made and a public inquiry was held. The arguments were put, the cross-examinations took place, and the result was that the Boundary Commission fundamentally changed its proposals and accepted a counter-proposal from members of the public. That was an excellent exercise in democracy, but if we approve the Bill, such an exercise will be a thing of the past, which is fundamentally wrong.

Therefore, the Bill is bad for Wales. It undermines democracy and discriminates against the people of Wales. It is a denial of Welsh nationality and fundamentally undermines popular democracy. For those reasons and many others, I will oppose this legislation tonight.

7.34 pm

Mrs Eleanor Laing (Epping Forest) (Con): Contrary to the hon. Member for Caerphilly (Mr David), I support the Bill, but it requires the House's scrutiny, and I will suggest several ways in which it can be improved.

May I first say that the measures to reduce the size of the House and equalise the size of constituencies are long overdue? I hear what Opposition Members say, but their arguments do not hold water. The size of the Chamber has changed almost randomly over the past century, and the number of MPs has never been properly tackled. In the current economic climate, we expect organisations in other walks of life to reduce their work force, and for people to work a little harder to take over the responsibilities of their former colleagues. There is no reason why the House should not set an example in that respect.

However, much more importantly, a democratic system in which votes are not of equal value is an insult to democracy. The right hon. Member for Blackburn (Mr Straw) did very well in trying to defend the indefensible for the sake of the Labour party's current electoral advantage, but the fact is that traditional boundaries, consulting local people and community coherence are simply much less important than the integrity of our democratic system. Therefore, contrary to what he says, the arithmetic must be paramount, because one vote, one value is a basic principle of a fair democracy.

Sadly, however, the other part of the Bill will not enhance a fair democracy. The alternative vote system will undermine the very principle of one vote, one value. Many of my hon. Friends, and the right hon. Member for Derby South (Margaret Beckett) and other Opposition Members, put those arguments very well, and I am sure that they will be enhanced over the coming months. However, we must have a referendum, because it is a matter of honour. The Prime Minister agreed in the coalition agreement to a referendum on AV, but it is a stark reflection of the priorities of the Liberal Democrats that that was their essential first condition of entering into a coalition Government.

I support the coalition because we need the stability it provides, and I appreciate that a referendum is the price for that, but what a high price it is to pay, not only politically, but in simple financial terms. At a time when essential cuts to public spending are about to affect the everyday lives of almost every British citizen, the Deputy Prime Minister insists on spending £100 million on a referendum that nobody outside the House wants nor cares one tiny bit about. How many special needs teachers, cancer nurses or helicopters for Afghanistan could be funded by £100 million? I accept that we must have the referendum, but let it not go unnoticed that we must have it not for the better welfare of the people or the general good of the country, but only for the perceived electoral advantage of the Liberal Democrats.

I support the Bill, but it is the duty of the House to try to improve measures before it, and I will seek to improve this one in two ways. First, the result of the referendum will command far greater respect if it is held on a different day from the national elections in Scotland, Wales and Northern Ireland, as many colleagues have said. The inevitable differential in turnout in different parts of the United Kingdom would leave the authenticity of the referendum open to question.

The second improvement that the Bill needs is in relation to the thresholds. Is it right to bring about constitutional change if only about 15% of the electorate vote for it? The status quo is the status quo because it is the status quo, and changing it should require far more than 15%. That would be wrong. The result of the referendum and the consequent constitutional change will not command respect unless a significant proportion of the electorate support it. It is our duty to improve this Bill, and although I will vote for it this evening, I look forward to seeing a very different Bill on Third Reading.

7.40 pm

Mark Durkan (Foyle) (SDLP): I can speak more warmly about the prospect of the alternative vote in the context of Northern Ireland than some others have done today. However, before I do so, I join others in expressing serious reservations about the mongrel nature of the Bill. It not only provides for a referendum on a change to the voting system, but scrambles to reduce the number of constituencies and, in that context, would fundamentally alter the procedure by which boundaries are set, including the consultation on and consideration of changes and the opportunities for proper issues of local identity and interest, communal affinity and natural geography to be brought into play. I therefore join others in asking the Government to separate this Bill into its constituent parts.

On the proposals to change the number of constituencies and how decisions on boundaries are made, the problem is not only that the Bill proposes to do away with local inquiries. It would replace local inquiries with a system in which the four boundary commissions would be obliged to present their proposals and recommendations for feedback for up to 12 weeks. They could then have a second go at presenting proposals, with a further 12 weeks in which to take feedback, but then the third set of proposals would not need any consultation or require them to listen to any representations. Many of us have been through boundary change exercises before, and sometimes it was the third version of the Boundary Commission's proposals that created particular problems for a constituency. The third proposal might have resolved some of the issues that were hotly contested in one constituency, but created brand new, consequential problems for other constituencies. Under this Bill, nobody in those constituencies that would be affected by the final

proposals—the ones that matter—would have a chance to raise any issues. We would just be told, "Sorry, it's the third attempt and this is what we have said. There is no other right of consultation, that's that." In fact, compound anomalies could be created by the time of the third set of recommendations by the Boundary Commission, and the idea that that would not make parliamentary democracy a matter of fundamental dispute is something that the Deputy Prime Minister and his colleagues need to think more about.

The Bill provides a quota for constituency size, plus or minus 5%, but clause 9 would create a new schedule 2 to the Parliamentary Constituencies Act 1986 and that would create a new rule 7, which would allow an even bigger deviation in Northern Ireland. The Bill suggests that the deviation could apply to all constituencies in Northern Ireland, so many could have more or less than a 5% deviation from the quota.

Of course, the constituencies in Northern Ireland are not just parliamentary constituencies, but the constituencies that elect six Members of the legislative Assembly on a proportional representation vote. Therefore, we would end up with serious discrepancies in respect of equal representation in the Northern Ireland Assembly. However, the Deputy Prime Minister, despite all his concern for equal representation and equal value, has shown a blatant disregard of the need for equal value for votes in Northern Ireland for the Assembly, when this House and the parties that negotiated the agreement very deliberately included a multi-seat PR STV system.

On the proposed referendum on AV, I made it clear when the House debated proposals from the Labour Government that AV would not be the SDLP's first preference, because we believe in the single transferable vote system. However, we agree that AV would be much better than the first-past-the-post system, which—in the particular context of Northern Ireland—traps us into sustaining sectarian impulses in Westminster elections. We have sectarian pacts. When the Tories announced that they were coming to Northern Ireland, they said that they would be no part of sectarian pacts and would go for cross-community votes, but they caved in and, under the pressure of Northern Ireland politics as induced by the first-past-the-post system, they entered into a sectarian pact with Unionist parties. That in turn led to pressure on my party—which we resisted, but we paid a price for doing so—to engage in a sectarian pact with Sinn Fein.

If people are serious about supporting the ethic of the Good Friday agreement and a new politics in Northern Ireland, they will recognise that allowing Northern Ireland to move to AV would help to complete the transition to normal politics that the agreement envisaged. Let us be free from the traps of the past that the first-past-the-post system imposes on Northern Ireland and let all people in the United Kingdom have a fuller say in who their MP is with the support of 50%.

7.46 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Many hon. Members who have been in this place far longer than I have spent much time fighting for democracy and against extremism. However, the AV system will help extremist parties. There is a possibility that BNP second preferences could decide the outcome of a seat. Imagine a scene in the future in which the Labour and Conservative parties are neck and neck in a particular seat. As we watch on television, the second preferences of the BNP are counted and ultimately decide who wins the seat. How would we feel as the BNP supporters cheer and shout? The idea sends a shiver down my spine.

As chairman of the all-party group for the promotion of first past the post, I can inform the House that we now have 90 members. Our role is to promote and protect the first-past-the-post system that has served this country so well for generations. In fact, we have too many voting systems in the UK, and I would like to see one tried and tested voting system only—the first-past-the-post system.

As chairman of the all-party group, I am in a difficult position. Do I go with my gut reaction and vote against this legislation or do I fulfil my obligations and loyalty to my party leader, our Prime Minister, and to the party?

Martin Horwood (Cheltenham) (LD): I disagree with, but respect, the hon. Gentleman's support for the first-past-the-post system. Would he not welcome the opportunity to campaign for it and vote for it in a referendum?

Daniel Kawczynski: I will come on to that point, but I recall listening to the Prime Minister when he came to give Conservative Members an insight into the negotiations with the Liberal Democrats. The deal breaker, as my hon. Friend the Member for Epping Forest (Mrs Laing) said—and I read it over and over again so it is indelibly printed on my mind—was a referendum on this system. How on earth will that referendum help my constituents in Shrewsbury? I always refer to Mr. Roger Walker, my constituent who is dying of prostate cancer. For the last eight months, I have been trying to get him a special drug, abiraterone, to prolong his life. I have been unsuccessful to date, but I will not stop. How will this legislation help him to tackle his illness, which will deprive him of his life? It is the equivalent of watching Nero fiddle while Rome burns. We have so many problems in our country, yet we are being distracted by this ridiculous referendum, which is going to cost taxpayers between £80 million and £100 million. What an appalling waste of money, as my hon. Friend the Member for Epping Forest (Mrs Laing) has said.

If the proposed system was used throughout the world, effectively and in a popular way, perhaps we should consider it, but it is used in only Fiji, Papua New Guinea and Australia. Only three countries in the world use it, and two of them, with all due respect, are rather small, minor powers.

Mr Jenkin: I hesitate to correct my hon. Friend, but the Australians use a variant of the alternative vote, not the system proposed. They call it preferential voting, and it requires people compulsorily to number all the candidates on the ballot paper. I am afraid that only Papua New Guinea and Fiji use the alternative vote.

Daniel Kawczynski: Right, there we are: we are trying to follow the example of Papua New Guinea and Fiji.

I have to say, however, that we should remember what happened in Tasmania, where the third candidate—the candidate who lost—ended up winning the seat because

[Daniel Kawczynski]

second and third preferences propelled him to victory. I do not want the least objected to to win; I want the most popular to win. I have come into politics because I believe in a certain ideology—a right-of-centre ideology. I want to go to the people of Shrewsbury and put that ideology to them—to stand on my convictions and ask them for a vote. I do not want to hide my views and feelings. I do not want to compromise or try to be all things to all people; I want a vote because I have garnered the most support.

Like me, millions of people will vote for only one party. I will never vote for any party apart from the Conservative party. That is my preference, but I will always vote only for the Conservative party. Millions out there like me will also vote for only one party; or, they will vote only for the party that comes first or second, so they have only one vote. However, those who vote for the BNP will always get two bites of the cherry. What really frustrates me is that their second preferences—or the "I don't mind" candidates, as I call them—weigh in the same way as my vote. When I go to the polling station and put my cross next to a name, I take that very seriously indeed. I know that many people in my grandfather's generation died—all the airmen in the battle of Britain; there were many Poles—so that we would have the right to vote, yet my vote will be counted in the same way as somebody else's second preference. In my view it is absolutely disgusting.

If we are going to make a change, it should be to the European Union elections, in which there are turnouts of only 30%. I offer my constituents £100 if they can name me any Member of the European Parliament who represents us. So far I have not lost a penny. Why? Because Members of the European Parliament are elected to represent the whole of the west midlands, an area of 5.5 million people. None of our Members of the European Parliament lives in Shropshire, has an office in Shropshire, has a home in Shropshire or holds surgeries in Shropshire. How can someone be accountable to the people of Shropshire if they are elected under a ludicrous PR system, representing an area larger than many European Union countries? If we are going to change any voting system, let us change the voting system for the European Union elections, not the system for Westminster elections, which people are happy with so far.

The second aspect of the Bill is one that I do approve of: having seats of equal size. However, I want very much that as much respect as possible should be shown to county boundaries. I feel passionately about Shropshire. That is what I am all about: representing my seat. I do not want to represent any other county. I do not want to be a Member of Parliament if I have to represent something outside Shropshire. I make that pledge to my constituents: that I will stand for election only if I can continue to represent Shropshire.

7.54 pm

Sir Stuart Bell (Middlesbrough) (Lab): I am grateful for the opportunity to follow the hon. Member for Shrewsbury and Atcham (Daniel Kawczynski). Having listened to what happened in that parliamentary Conservative party meeting—a meeting of the 1922 committee, which was formed on the breakdown of a coalition Government way back in 1922—and heard that the deal breaker was a referendum on the alternative vote, I wonder why the Conservatives made a deal at all. They were eight short of an overall majority. They could have easily formed a Government and would have had a big majority in the House over other parties, although not an overall majority. They could have easily formed a Government and taken to the country the question of how we deal with the deficit. That the Conservative party should sell itself to the 1922 committee by going back to 1922, when the Conservatives pulled out and the coalition failed, and then go back into a coalition on that premise—a premise that is so false and empty, even from the Liberal party, which fought for a different system in the general election—is a wonder to behold.

We are now in the odd situation where we have one part of the Bill, which should be one Bill, on whether there should be a referendum on the alternative vote, and another on changing the distribution of seats.

Mr Donohoe: Was my hon. Friend aware that in the '20s, the Liberal party in government—would you believe?—was opposed to any form of proportional representation?

Sir Stuart Bell: Times have changed since 1922, but it is a mystery to behold how we are in the current situation.

As one hon. Member has said, 72 Members wish to speak this evening. Early on in the debate, the hon. Member for South West Devon (Mr Streeter) made a remarkable and impassioned speech, saying that we should at least be thankful for small mercies. The small mercy was that the Bill is not a Bill for full-blown proportional representation. Tomorrow he should read the comments of the Deputy Prime Minister—who slipped it in very nicely—when he said that the Bill was a minimum requirement. The Government are not out of the woods on proportional representation, and someone should ask him—and we will ask in Committee—whether the Bill is the first stage on the way to proportional representation or an endgame.

Martin Horwood *indicated assent.*

Stephen Gilbert (St Austell and Newquay) (LD) *indicated assent.*

Sir Stuart Bell: There are nods from those on the Liberal Front Bench. This Bill is even more of a pig in a poke. What we are voting on this evening has not been made clear to the British public or even to this House. The Bill is the first stage on the way to a different system of voting. That is quite remarkable. We have to be careful, not just about what is before us, but about what is not before us.

The point has been made many times that the Labour party in opposition supported a referendum. We do support a referendum—we committed ourselves to it, and we are the only party that did. The Conservative party committed itself to first past the post. The Liberals wanted a different voting system: the single transferable vote system. The Conservative party said that it wanted to change the distribution of seats by 10%. The point has been made: why 10%? Why not another figure? However, that was the only element in the Bill before us

that was actually put to the British people. Nothing else was. The Liberal party did not put the alternative vote to the British people—we did put a referendum on the alternative vote to the British people—and neither did the Conservatives. We therefore have a Bill before us that has no manifesto commitment in it from any of the parties.

Martin Horwood: The hon. Gentleman seems to misunderstand the manifestos. Our manifesto certainly did argue for a more proportional system, but we are not in favour of making the best the enemy of the good. We still think, as we have often said, that the alternative vote is a better system than first past the post. He cannot possibly be under any illusion from the debate so far that the Conservative partners in the coalition would support a more proportional system, so he cannot possibly believe that the proposal is a stalking horse. The only party that supported AV was his.

Sir Stuart Bell: I have not read the Liberal party manifesto in detail, but I am aware that it advocated 500 seats in the present Parliament and a single transferable vote system. That is what was put to the people by the Liberal party—

Martin Horwood *indicated dissent.*

Sir Stuart Bell: It is no good the hon. Gentleman shaking his head. The Liberal party fought the general election on a series of commitments. We are talking about a minor commitment that the Liberal party has abolished. The Liberals also had a commitment to get rid of five Trident submarines. That disappeared. They had a policy to ensure no further nuclear industry. That disappeared too. What we are seeing is part of the disappearing act of the Liberals, and then they come to the Floor of the House and say—

Martin Horwood *indicated dissent.*

Sir Stuart Bell: The hon. Gentleman shakes his head. He should read his own manifesto and see what it says.

Let me ask the hon. Gentleman a simple question—does he believe in the doctrine of mandate? We have heard a lot about that doctrine tonight, so does he believe in it?

Martin Horwood: Do you?

Sir Stuart Bell: Yes, I do. That is why Labour Members support a referendum on the alternative vote. What we do not support is mixing this Bill with what should be in another Bill, as was said earlier, for the purpose of the redistribution of seats. That proposal gets rid of the requirement for public inquiries that enable all constituents of an area to put their views on the basis of history or geography. Such inquiries also enable local councils to put their point of view, but all of that goes.

I was interested to hear the statements made at the weekend by the Deputy Prime Minister and the Prime Minister, who said that they were giving power back to the people. They are not giving power back to the people, they are taking it away from them. They are giving people no right to discuss how the seats should be distributed. They are offering the people either no consultation or a very brief consultation and they are allowing them no second opinion. If they can get their way, they are pushing through an Act of Parliament, which is effectively a gerrymander. The gerrymander has been mentioned several times in this House, and it is what we are discussing on the Floor of the House now. The gerrymander is having one Bill on an AV referendum, which we could support, another Bill on changing the distribution of seats, which is debateable, and putting the two together. The Government have done that because they knew that they could not get those measures through on their own. They knew that they would not get a Bill on AV through without the support of Labour Members because they knew they did not command enough support from their own Benches. That is why they mixed the two Bills together, giving rise to the agonising problems that we now see expressed by those on the Conservative Benches. Some say that they are not for the Bill or the AV referendum, but that they are obliged by their party to support it. If Conservative Members believe in the doctrine of mandate, they will not support the Bill.

The doctrine of mandate and the gerrymander go even further because we have a Prime Minister who says, "Well, I am putting this measure before the House, but I will not campaign for the alternative vote. I will be on prime ministerial duties." Likewise, the Deputy Prime Minister and leader of the Liberal party will be on deputy prime ministerial duties and will go to the United Nations when his party meets in conference. He is not going to stand there and explain to his own party why he forged a coalition on the terms he did: he will take the plane instead. The Prime Minister will do the same, having put before the House the proposal for a referendum on AV—a proposal in which he does not believe, as he himself says, and on which he will not campaign.

We have a grotesque parliamentary situation here, in which the doctrine of mandate and the commitment to the electorate disappear and where the sovereignty of this House is impaired. This House exists to hold the Executive to account. That is what we are here for—that applies to Labour and Conservative Back Benchers—but Conservative Back Benchers cannot hold their party or Government to account because of this legislation.

8.3 pm

Mr Charles Walker (Broxbourne) (Con): When introducing this Bill, the Deputy Prime Minister dressed it up as the beginning of new politics. Well, this is not new politics; it is old politics exercised at its very best or its very worst, according to one's disposition. It is about the Executive—the Government of the day—seizing more power for themselves. Let us not be coy about this. That is what Governments do. Let us not be afraid of admitting that.

The arguments for reducing the size of the House of Commons by 50 are nothing more than very flimsy. We are told that cutting 50 Members of Parliament will save £12 million. Well, colleagues, that is what 350 years of settled parliamentary democracy adds up to—we are going to save £12 million. Why stop there? Let us get rid of 300 Members of Parliament and save £72 million. There may be many good reasons for reducing the size of the House of Commons, but saving £12 million is not one of them. We trot out this ridiculous figure to appease the headline writers in the *Daily Mail* and the tabloid press, and those journalists who work for *The Daily Telegraph*, which is just a tabloid in a bow tie.

[Mr Charles Walker]

What really concerns me about this Bill is the fact that the Government talk about reducing the number of MPs to 600, but there is no mention of reducing the number of Ministers. What the Bill does, then, is to increase the patronage of the Executive. There will be yet more incentive for my colleagues to be good little boys and good little girls. That is what drives the public mad—seeing MPs say one thing in their constituency and doing another thing here in the hope of securing ministerial preferment.

I would personally like to see 450 MPs in the House of Commons, but only as part of the separation of powers where we remove the Executive from Parliament. The reason we have 650 Members of Parliament, colleagues, is so that at any given time—in the last Parliament, for example—300 of our number have either Front-Bench or shadow Front-Bench duties. As three hundred of our colleagues were taking their orders either from the Prime Minister or from the leader of their party, it left a mere 300 to 350 of us to hold the Government to account. I am all for reducing the number of MPs, but only as part of a far wider package of proper political reform.

To colleagues on all sides of the House, but particularly to my colleagues on the Government Benches, I say that there is a danger of politicising the issue of boundaries, as this reduction in the number of MPs so nakedly favours my party. I know that the system up to now, by an accident of design, has favoured the Labour party, but if this reform is to carry weight and legitimacy, it must be seen to be fair to all parties, not to the naked advantage of one party.

I have already mentioned what the public hate. They hate patronage; they hate politicians doing deals in smoke-filled rooms. Now, I support the coalition because it was the least worst of the options before us after the May general election, but let us be in no doubt that the coalition was agreed in a smoke-filled room by a few very powerful politicians at the head of two parties. I did not have a great deal of say in the formation of that coalition. I had no say in what policies were included or what policies were discarded. What happened actually transferred power further into the hands of a political elite.

Martin Horwood: The hon. Gentleman must make it clear to the House that he is speaking for his own party. In the case of the Liberal Democrats, the coalition was approved by a vote of the parliamentary party and the federal executive, and then by democratic vote of the representatives of every local party in conference assembled—and by a large majority.

Mr Walker: I am delighted that the Liberal Democrats had such a frank and open discussion and perhaps we can learn from that, as we are in the age of lessons learned.

Mr Jenkin: If my hon. Friend will allow me, let me say, with the greatest respect to the Liberal party, that members of the Liberal party and Liberal MPs are not the people. I believe that my hon. Friend is referring to the people of this country as being those who were excluded from the coalition deal.

Mr Walker: What I am saying to the hon. Member for Cheltenham (Martin Horwood) is that under the AV system, party negotiating teams will more often decide the outcome of a general election than will the public or the electorate, which will not increase confidence in democracy, but further erode confidence in it. "Are we to believe these manifestos?" is what people will say, as they see politicians saying one thing in the manifesto and then doing something different among themselves in a smoke-filled room.

Let us remind ourselves, colleagues, that the second part of the Bill, which is concerned with AV, is purely there to appease less than 10% of the House. That is the future of permanent coalition Government—deals to appease minority parties. I am extremely nervous about this Bill, which I do not think has been properly thought through. It has been presented, brought forward and debated in haste.

I will say this, however. I am extremely pleased that my right hon. Friend the Member for Witney (Mr Cameron) is the Prime Minister. I could not think of a better one. That is why on this one occasion—I say this particularly to my Whip—out of loyalty to the Prime Minister and for no other reason, I shall support this Bill on Second Reading. After that, however, every vote that I enter into, for the rest of the Parliament, will be a free vote. The Whip need not concern himself too much, because I am a Conservative to my core. Every fibre in me is Conservative. On most occasions, therefore, I will happily walk through the Division Lobby with my party. However, there will be occasions when I exercise my right, as the elected representative of Broxbourne, to disagree with my party. In essence, that is what I am, and it is what we all are: representatives coming from constituencies, to use our judgment on the great issues of the day.

I am representative of neither the Whips Office nor No. 10. More than anything, people in this country are crying out for independent-minded, honest, brave Members of Parliament, who put being a legislator and sitting in this place above all else. Too often, we are viewed as coming to this place with an aspiration to become a Minister. I say to my constituents that there is no greater honour than being the Member of Parliament for Broxbourne; there is no greater honour than being a Member of Parliament. If we begin to focus on our constituencies and remember why we are put here, we restore confidence in politics.

We have had a difficult few years, but if colleagues genuinely feel that they do not have the character to represent their constituents bravely in this place, they should stand down now and let someone else take their place.

8.12 pm

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): I have three strong concerns about the Bill: the date of the referendum vote; the fact that there is not a proportional election system on the ballot paper; and the means of reducing the number of Members of Parliament, which will affect Wales more significantly than any other part of the United Kingdom.

Plaid Cymru has long advocated voting reform for elections to this House, so we welcome the fact that a new UK Government have put the issue on the agenda. As currently drafted, however, the Bill will be a massive missed opportunity. If there is to be a referendum, it

should be on whether we take the more radical step of adopting the single transferable vote for elections and having a genuinely proportional system. In Committee, we will support amendments to achieve that, and we will expect support from those MPs who in February supported such an amendment to the Constitutional Reform and Governance Bill.

We are concerned about the date for the referendum indicated in the Bill, as it would clash directly with elections for the devolved Parliaments. Two separate reports, from Gould and Arbuthnott, pointed to the difficulties with holding multiple elections on the same day. There is no reason why the voting reform referendum needs to be held on the same day as elections to form the Celtic Governments. It is, at best, insensitive for the UK Government to proceed with 5 May 2011 as the date. It would make much more sense to hold the referendum on part 4 of the Government of Wales Act 2006 on that date, which was ruled out by both UK coalition governing parties.

We will argue that a new date should be set on which no other election is taking place, to avoid the accusation that the Government in London are riding roughshod over the interests and concerns of the devolved countries.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I am heartened by the second part of the hon. Gentleman's contribution. Will he support the amendment tabled tonight on behalf of the Labour party in Scotland?

Jonathan Edwards: The hon. Gentleman will have to wait; our voting intentions will be made clear.

We have many concerns about the impact of constituency changes on Wales. Wales, more than any other part of the UK, will be seriously affected by the proposed changes. As many right hon. and hon. Members from my country have pointed out, Wales will probably have about 30 seats following the changes—a cut of 10 seats or 25%, compared with 5.5% in England, 9% in Scotland and 17% in Northern Ireland. We do not agree with those changes, which will strongly affect the Welsh voice at Westminster. We will table an amendment to prevent such a massive loss of representation.

Guto Bebb (Aberconwy) (Con): On the reduction in the number of Welsh MPs from 40 to 30, does the hon. Gentleman agree that, in the eyes of the Welsh public, an unintended consequence of that change will be an enhancement of the powers of the Welsh Assembly. We can debate the powers of the Welsh Assembly, but my view, which I suspect he shares, is that the people of Wales should make a decision about the powers of the Welsh Assembly. Does he agree that by reducing the number of Welsh MPs from 40 to 30, and reducing the voice of Wales in the House, we are, in effect, increasing the powers of the Welsh Assembly by default?

Jonathan Edwards: The hon. Gentleman makes a valid point, which was also made by the right hon. Member for Torfaen (Paul Murphy). A case could be made for reducing the number of Welsh MPs, but such a reduction would have to follow a further transfer of powers and a plebiscite in Wales, following a referendum. Part 4 of the Government of Wales Act awards sovereignty over current devolved fields only, so that would not justify a reduction in Welsh MPs either, even if a referendum was won in March.

The think-tank Demos recently published a map showing the power gap—how different constituencies in the UK vary in importance with regard to their voters' actions. The proposed change to a system based on electoral registration will not, as the Deputy Prime Minister argues, ensure that all votes will be worth the same in electing a Member of Parliament. Under AV, the same few swing seats will still decide the Government. In addition, basing such a system on electoral registration might be doubly damaging to some areas. Those areas with greater social problems, such as poor education or higher unemployment, are likely to have fewer people on the electoral roll. In reality, therefore, MPs for such areas will be dealing with a greater number of electors than he or she imagined, as well as a much higher caseload.

The leader of my party, the hon. Member for Dwyfor Meirionnydd (Mr Llwyd), expressed amusement at the idea of new constituencies being no larger than 13,000 square miles. If I remember my geography lessons correctly, Wales is only 20,000 square miles in total. However, this is a serious point: if a Member's constituency is 100 miles north to south and east to west, how can they properly serve their constituents while travelling between their constituency and London and around a large rural area?

As the Bill is on constitutional affairs, and we are dealing with changes to the Government of Wales Act 2006, other issues should be raised. Power to vary National Assembly election dates should be a matter for the Assembly and not the Secretary of State for Wales. We should end the electoral system that prevents candidates from standing for both a constituency and a regional list for the National Assembly—a policy with which, I believe, the Conservative party and the Liberal Democrats in Wales both agree.

There is little in the Bill to commend: a referendum on a voting reform option that will not excite the proponents of electoral reform and that will merely tinker with the edges of the problem of the first-past-the-post system, even if the referendum is successful; a referendum date with a negative impact on democracy, most obviously in the Celtic nations, carried through without consultation or discussion with those Administrations; and a change in the number of MPs, which will massively and negatively impact on my country. Although my party strongly believes in electoral reform, we cannot support the Bill at this stage.

8.18 pm

Mr Christopher Chope (Christchurch) (Con): I was elected on the Conservative party manifesto, which states on page 67:

> "We support the first-past-the-post system for Westminster elections because it gives voters the chance to kick out a government they are fed up with."

That is the very opportunity that the Australians have been denied in their recent general election. An article in *The Times* about 10 days ago suggested that if a first-past-the-post system had been operating in Australia, the Liberal party—effectively, the conservative party—would have been able to regain power in Australia, thereby demonstrating the wisdom contained in the Conservative party manifesto. I regard the AV referendum as an expensive and unnecessary distraction from the

[Mr Christopher Chope]

Government's main job, which should be to get the economy back on track. To spend £80 million to £100 million on the referendum is absurd.

I am also concerned that other aspects of the Conservative party manifesto are being disregarded in the Bill. Page 63 of our manifesto states that

"we plan to change Britain with a sweeping redistribution of power…from the government to Parliament".

Sadly, the Bill does exactly the reverse. As my hon. Friend the Member for Broxbourne (Mr Walker) pointed out, the proposal is that we reduce the number of MPs but not have a corresponding reduction in the number of Ministers. This Government have a record number of Ministers—more than at any time since the 1975 legislation was passed. When I was first elected in 1983, there were about 83 House of Commons Ministers in Margaret Thatcher's Government. We now have 95, five more than we had at the height of the last Labour Government. If this Government are intent on saving money, why has one of their first acts been to increase the number of Ministers?

It will not surprise you to learn, Mr Deputy Speaker, that the category of Minister that has been increased above all others is the Whip. The number of Government Whips is now at an all-time high. People outside the House may well find it extraordinary that we have so many Ministers, given that we have devolved Governments in Wales, Scotland and Northern Ireland and therefore need fewer Ministers here to represent those areas. That, in my view, shows that we are entirely in breach of what is set out on page 63 of the Conservative manifesto.

I also object to the fact that the debate has been guillotined. Page 67 of our manifesto states:

"Because we are serious about redistributing power, we will restore the balance between the government and Parliament, by… allowing MPs the time to scrutinise law effectively".

That is exactly what is not being allowed. Why cannot the House decide for itself how much time is needed to discuss all that is in the Bill?

Addressing the Conservative party faithful in February this year, the current Prime Minister ridiculed the lack of effective parliamentary scrutiny that existed at the time. He asked:

"How has the mother of all Parliaments turned itself into such a pliant child? If we are serious about redistributing power from the powerful to the powerless, it is time to strengthen Parliament so it can properly hold the Government to account on behalf of voters".

I do not know whether the Deputy Prime Minister has read what the Prime Minister said in that speech, but I have found no consistency between what he said then and the attitude being taken by the Government Front Bench today, and I find that extremely depressing.

Why the big rush? It is, of course, because the Government want to push through the change in the boundaries and reduce the number of Members of Parliament. They realise that there is a justification for wanting to get on with that quickly. How can they find a justification for introducing an AV referendum quickly? By linking the two issues. I consider it a cynical exercise to link two separate Bills, and I think that the restriction in the guillotine motion is much too tight. Such an amount of time would probably have been sufficient for each separate part of this Bill. As the Prime Minister suggested back in February, why should we not look at the detail of the Bill and then decide how much time should be allowed for discussion?

I have many other concerns about the contents of both Bills. That is why I shall vote against Second Reading and also against the guillotine motion. I shall not do so with a heavy heart, because I believe that we must stand up in the House and vote according to what we believe in. I believe in strengthening the House and reducing the size of government, and I do not think that the Bill does that.

8.23 pm

Austin Mitchell (Great Grimsby) (Lab): I have sat through debates on many unappetising measures in this place, both Thatcherite and new Labour, but I have never sat through a debate on a measure that has been greeted with such a conspicuous lack of enthusiasm as this. It is true that most of the criticisms have come from advocates of first past the post, who do not include me, but I intend to add to those criticisms as an advocate of electoral reform and a believer in proportional representation, because this is not electoral reform but an electoral fiddle that is designed to entrench the coalition.

The Bill helps the Liberal Democrats in the first place through AV. They think that they are likely to be everyone's second preference: at least, they thought that before they formed the coalition and went in for cuts. It is estimated that they will gain between 12 and—according to the Electoral Reform Society—22 seats. That will help the Conservatives, because the redistribution will mean that smaller seats held by Labour will be enlarged. The reduction in Wales and Scotland's representation is designed to hit Labour and benefit the Conservatives by between 12 and 20 seats. Those estimates come from polls and are obviously unreliable, but both sets of estimates suggest a gain. The interesting thing is that the only gain that is likely to materialise is in the redistribution. The Liberal Democrats had better look out, because the AV element is the less likely of the two parts of the Bill.

Why does the Bill propose the alternative vote? We have learned tonight that we are catching up with Papua New Guinea, and that is a marvellous position to be in—I always wanted to be in such a position—but AV will achieve very little else. It has suddenly been dragged out of the tomb in which it has lain since 1929, given the kiss of life—bandaged and bleeding as it is—by the Deputy Prime Minister, and trundled out on to the stage. It was not in the Liberal Democrat manifesto or the Conservative manifesto. Where did it come from? [Hon. Members: "It was in your manifesto."] No, it was not. We proposed a referendum on AV, but the heart of our party was certainly not behind AV, as has been well demonstrated tonight.

Why should we have a referendum on AV, which no one particularly wants, and not a referendum on proportional representation, which a large percentage of people do want? All the polls indicate that AV is less popular than PR. In a refererdum in New Zealand in 1992, people were asked whether they wanted to retain the first-past-the-post system. When 85% of the population said no, they were asked what system they wanted to

replace it. They were offered four possible options. The German additional Member system was supported by 70%, whereas the AV system that is being proposed here was supported by a tiny 6.6%.

In my opinion, PR is the only system that will enable us to cope with all the emerging strains of a multi-party arrangement. Very odd results will be produced if we try to cram that into the constraints of first past the post. PR means that every vote is a wanted vote. It ends the elective dictatorship. It forces the parties to campaign in every constituency, rather than just in the safe seats.

It is true that the parties are divided. When I first went into the electoral reform game, I rapidly became chairman of the Labour campaign for electoral reform because all the other members left to join the Social Democratic party in 1981. At that time, the largest number of advocates of proportional representation were Conservatives; now almost no Conservatives advocate PR. The Labour party is divided on it, although there is a great deal more support for it on this side of the House. It is exactly this sort of issue—an issue on which the parties are divided—that is best submitted to a referendum. So why is PR not to be included in this referendum? Have the Liberal Democrats given up on it? Why did they not insist on its inclusion? If we are to have a referendum, why should we not include PR as an option?

Let me now briefly turn to the subject of the proposed reduction in the number of MPs to 600. The redistribution will go ahead even if AV is defeated in the referendum, but we MPs have a vital democratic role: we are the representatives of the people; we protect them against the Executive; we are local ombudsmen; we are the voice of our constituencies; and we have an increasing volume of mail and of work in this place thanks to the Select Committees and pre-legislative scrutiny and all the other innovations that we want to see. We cannot do our work effectively if the number of MPs is reduced. This proposal will strengthen the Executive, because the Executive will be bigger in a smaller pool of Members, and there will be a smaller pool of talent from which to choose the members of that Executive.

The proposal is based on a fallacy too: the fallacy that this place is too large. The number of Members we have as a proportion of the population is much the same as in France and Italy. We are not too large, because our system is one of the few that is not federal. In federal systems people have elected representatives at all levels to turn to, whereas in our system people have only the 650 MPs.

I think AV will be defeated in the referendum because referendums are Conservative devices. That will leave the Liberal Democrats with the following consequence, which they must consider. Their leader, who is looking more and more like Elmer Gantry, has dragged them into this. He has said, "We will liberalise the cuts and democratise the constitution." When AV is defeated in the referendum, they will not be doing the latter. What, then, do they stand to gain from this coalition?

8.30 pm

Iain Stewart (Milton Keynes South) (Con): I support the Bill not because I think it is perfect—far from it in fact, and I will touch on its deficiencies in a moment—but because I strongly support part 2 on the equalisation of constituency electorates. We have heard much from the Opposition Benches about how it is somehow partisan of us on the Government Benches to equalise electorates across the country, but I contend that it is partisan not to equalise them, because we have a huge imbalance in our current electoral system. The Labour party won the 2005 election with 36% of the vote and it had a Commons majority of about 60 seats. In the 2010 election, the Conservative party won 37 or 38% of the vote but fell short of an overall majority. If anyone needs a clear indication of the imbalance in the current system, that provides it.

We also hear much from the Opposition Benches about problems with electoral registration; Opposition Members offer them up as an excuse not to rebalance and equalise constituency electorates. I applaud all measures to boost voter registration, but we should not allow that argument to take away from the importance of equalising electorates.

Let me give an example involving my Milton Keynes constituency. It is a new-town constituency and its electorate is fast approaching 90,000 people. However, when I compare that figure with the corresponding figures for the five new-town constituencies in Scotland I find that their electorates are at least 10,000 smaller, and in the worst case of Cumbernauld, Kilsyth and Kirkintilloch East the electorate is approximately 25,000 voters fewer than mine. That cannot be right.

Andrew Griffiths (Burton) (Con): May I draw my hon. Friend's attention to a similar case involving my constituency? Burton has an electorate of 75,000 but, just a 10 or 15-minute drive away, Stoke-on-Trent Central has an electorate of only 61,000. Why should the value of votes in Stoke-on-Trent Central be greater than those in Burton?

Iain Stewart: My hon. Friend makes a powerful point, but the key issue is that, in contrasting similar electorates in Milton Keynes and the new towns in Scotland, which presumably all have a similar socio-economic and demographic mix and therefore the preponderance of people to register will be about the same, we can show that there is an imbalance in the system even without looking at the issue of registration. I applaud the part of the Bill that gives every voter equal weight in an election.

I am not content with all of the Bill, however. I wish that we were not going to have the referendum on the alternative vote. For reasons that hon. and right hon. Friends have expressed, it is a distraction. We do not need it; there are far more important measures for the country that need to be taken to clear up the legacy we have inherited from the previous Labour Government. However, I accept that as no party formed a majority in this House following the last election, some compromise has to be made. I accept that having this referendum is a price worth paying to get the measures to tackle the deficit and the social problems, but that does not mean that we have to accept it in its current form in the Bill.

It is our duty as a House to make sure that the referendum is conducted as properly and fairly as possible. Referendums play a valuable role in democracies. Particularly on issues that cut across the usual party divides and on constitutional issues, they are a useful mechanism by which the people of a country can express

[Iain Stewart]

their view, but the referendum result must reflect the settled will of the people. We therefore must impose safeguards to make sure that the outcome of this referendum represents the settled will of the people.

Most countries that have mechanisms for changing their constitution or that hold referendums do not just have a simple majority provision. In the United States, a two thirds majority is required in Congress and among the states. In other countries that operate referendums—Italy and Denmark for example—it is not just a simple majority that is required. I, along with my hon. Friend the Member for Epping Forest (Mrs Laing), will seek in Committee to introduce a turnout threshold, so that we do not end up with the preposterous situation whereby a tiny turnout of 35% or 40% and a tiny majority in favour of AV could somehow result in the constitutional changing of the country. In such circumstances, a change would be endorsed by only one in five of the electorate, and that does not provide a mandate.

Robert Halfon (Harlow) (Con): What should be done were Scotland to vote in favour of AV in the referendum and England were to vote against?

Iain Stewart: I am a Unionist, so I think that the decision of the United Kingdom would have to stand. It would be a mistake to start disaggregating the views of different parts of the country. Where would we stop—county against county or city against city? The view must be a national one, but that national view must be clearly expressed. As I say, having a turnout threshold is the right way forward.

I dislike the alternative vote system and will campaign strongly against it. The amendment that I will propose is not about encouraging people to stay at home; I will encourage every voter that I can to turn out to vote no in this referendum. The amendment is about the referendum giving a clear view, so that we do not end up with a tiny minority dictating a constitutional change that will last for decades on the basis of the votes of a fifth or less of the electorate.

I wish that we did not have the proposal for such a referendum in the Bill. It is a distraction, but it is a price that we had to pay to get through other measures that we want for this country. If the settled will of this country is to change the electoral system to AV, I will accept that, as a democrat. However, I am not prepared to accept it on a derisory turnout. The right hon. Member for Greenwich and Woolwich (Mr Raynsford) said in respect of the referendum on the North East assembly that he would not introduce the legislation if there was a derisory turnout. That never happened because the vote against the proposal was enormous, but that is the correct process. My hon. Friend the Member for Epping Forest and I will seek in Committee to introduce that process.

8.37 pm

Phil Wilson (Sedgefield) (Lab): The only way in which we can go ahead with constitutional reform is by having political consensus across the whole House, but this Bill does not have that. The Bill is half-baked, and the part of it that is baked, so to speak, does not give nourishment to the people or help with their democratic rights; it is in place to give sustenance to the coalition. I say that because of what some of the clauses actually mean as far as a referendum is concerned. I do not agree with having it on the same day as elections in Scotland and elsewhere in the UK. No elections are being held on that date next year in County Durham, where my constituency lies, so we will therefore get differential turnouts. I agree with the Deputy Prime Minister that our voters can work out and deal with two or three different ballots on the same day. If they can do that, surely they can go to the polling station twice in one year, once for the local and national elections next May and once later in the year to cast their vote on a referendum such as this. We should not be patronising the electorate.

The other thing that we need to take into consideration when discussing the AV referendum is that we are starting to talk about equalising the size of the electorates in constituencies and so on. If we believe in equalising the votes and the constituencies, making the size of the electorates as equal as possible throughout the country, it follows that it is only right that any MP or other candidate who stands should have to achieve more than 50% of the votes cast. Someone who agrees with equal votes should agree with taking things that far. How can we accept the introduction of safeguards for the referendum itself, whereby there must be a threshold before the vote is recognised, while accepting that, under first past the post, a candidate can get 33% or 34% of the vote and become an MP? We cannot have safeguards in the referendum without having them in votes for MPs.

Nobody can be against the equalisation of constituencies, but why at the same time should we have to reduce the number of MPs from 650 to 600? Why cannot we equalise the constituencies and keep the number of MPs at 650—for the many good reasons that the hon. Member for Broxbourne (Mr Walker) put forward? The only reason for the proposed reduction to 600 is partisan gain on the part of coalition Members, especially those in the Conservative party. The proposal would not be on the table if 55% of those smallest constituencies had Tory Members, but, because 55%-plus have Labour Members, it seems to be all right to look at it and reduce the size of the House. The measure will not reduce the size of the Executive, however, and by reducing the number of MPs it will not answer the questions about holding the Executive to account.

People have drawn on spurious arguments about the size of this elected House compared with that of others throughout the world. The Deputy Prime Minister, in his speech on 5 July, drew attention to America and its House of Representatives, which comprises 435 members and has done since 1911, but there is actually a big process under way in America to increase the size of that House, because in many states it is putting a strain on democracy. Since 1911, the size of the electorate in each district has increased threefold, from about 190,000 to almost 700,000. America is obviously a bigger country with a bigger electorate, but that is more or less the size of a European seat.

Reducing the number of our MPs will save £12 million, but in America, where there are only 435 members of the House of Representatives, each member has 22 staff and expenses of more than $1 million a year. The Independent Parliamentary Standards Authority would

have a field day if that were the case here, and cutting the number of MPs does not mean to say that we will save money.

People have mentioned the Chartists, but I always smile when I hear that they were in favour of equal-sized constituencies. Yes they said that, but they also said that they wanted annual Parliaments, and I do not think that we are going to go along with that. At that time, in the 1840s, even after the 1832 Reform Act, there were 70-plus rotten boroughs where fewer than 60 electors in each seat elected a Member of Parliament. We have come a long way since those days, so drawing comparisons between the Chartists and what we are doing today is spurious. We in this House need to establish consensus about what we want to do. We do not have that, which is why this Bill is a bad one.

8.43 pm

Mr Richard Shepherd (Aldridge-Brownhills) (Con): When it comes to electoral systems, the question that I am most concerned about now, in this later phase of my membership of this House, is what system best secures the sovereignty of the people as expressed through Parliament. There is only one.

Since 1997, the extraordinary development of the constitution—often unconsidered and, in many instances, certainly without pre-legislative scrutiny—has been rammed through by a majority, and we now have, somewhere in the United Kingdom, one of the following systems of election: the single transferable vote system, the additional member system, the closed party list system and the supplementary vote system. If this Bill gets through Parliament, we will then have the alternative vote system in place of the first past the post. We have had all those developments, but there is no satisfaction.

Over a lengthy period, I have watched the parading of princes in this House of Commons. I have seen Governments come and Governments go, so my objective is the system that best protects the sovereignty of the people. I profoundly believe that it is first past the post, for the simplest and most obvious reason of all—you know how to get rid of the Member of Parliament. *[Laughter.]* No, I do not find that funny. It is one of the most important features of an electoral system. Furthermore, we best know how to get rid of a Government. To me, that is the conclusion of the whole argument on voting systems.

I remember fighting the then Conservative Government—Mr Major's Government—over Maastricht. I watched a political class across Europe assert that it was a matter for the political class and not for the people. That is very much a German position. I watched as subsequently Mr Kohl lost his constituency seat, but still remained a member of the Bundestag because he was head of his party's list.

That was the fault and the difficulty that confronted Roy Jenkins when he looked at electoral systems for this country. He found that the alternative vote system could be less proportionate than first past the post, so he came to the conclusion that alternative vote-plus was the answer, which meant that there would be an element of the party list system—the very thing that most throttles the dynamics of democratic expression in the European continent, yet that was the system he promoted. He spoke in Westminster Hall to try to seduce members of the Conservative party; he was singularly unsuccessful.

I will, without hesitation, vote against the Bill on that issue, if that is what I am required to do. There is no dancing around about supporting the coalition. I believe that the coalition was supported in my constituency when it was formed, as it was by me, because it had in its charge one central purpose: to restore the public finances and reduce an unsustainable burden of debt. That is what it was about. I was party to some of the discussions, only in the sense that we were hastily convened at odd hours to be told the latest draft of where the coalition was going. This measure was not part of that, so I shall vote against it.

On boundaries, as was well said by my hon. Friend the Member for Broxbourne (Mr Walker), what is central is that the power of the Front Benches is increasing unstoppably. We now have a greater concentration, through that device, on our Front Bench, as well as on the Labour Front Bench. We can see that the free radical Back Bencher is an endangered species. That is why there is sourness across the nation, and that is why I will not vote for a reduction that would lose the continuity of counties, cities, towns and boroughs—the distinctiveness of the United Kingdom.

Finally, this measure is no constitutional process, it has not been seen in the round and it does not relate to what will happen in the House of Lords in four, five or six years. But we have been through all that. I urge colleagues to remember that we are all elected representatives. How can it be right to say, "I vote for this because of loyalty to the Fuhrer, the leader of a party"? Our loyalty is to the people who sent us here. That is in first place, so it seems to me inconsistent to say, "I damn the Bill, but I will vote for it in the hope that something turns up."

8.49 pm

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): Given the strictures on time, and as many colleagues wish to speak, I shall make a short contribution on this curious and expedient hybrid of a Bill—a hybrid that remains unexplained, as do its origins, despite the opening speech of the Deputy Prime Minister. Perhaps his Front-Bench colleague, the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper), can, when he winds up, do a little more to explain why the two measures have been put together in such an unsatisfactory way, but I remain to be convinced that that will happen.

Given the short time available, I should like to make a contribution specifically on the AV referendum element of the Bill. I stood for election on the basis of a manifesto that said that there should be a referendum on the alternative vote, as Government Members have pointed out, although the hon. Member for Leeds North West (Greg Mulholland) and, I think, some others may have misunderstood what was in our manifesto. I continue to believe that there should be a referendum if we propose changing the electoral system, and I do so for the reason that the hon. Member for Brecon and Radnorshire (Roger Williams) hinted at: if there is to be any change to the electoral system, the people of this country should have a say on it, because whatever honourable positions are taken, there is always the temptation, whether at the margins or more significantly, to make elements of those changes for temporary party political advantage. That should not be the case.

[Tom Greatrex]

My principal issue is about the legitimacy of any proposed referendum, and therefore its result. The issue is really the date of the referendum. If it happens, it should take place on the basis that after the campaign and the debates, and after the points have been made, the result, whatever it is, should have legitimacy, be accepted and have authority among the people of this country. That is why I am deeply troubled by the suggestion that it should take place on the first Thursday in May next year.

The referendum would be on the same day on which people in my constituency will vote for their representatives in the devolved Parliament in Scotland. Other Members' constituents will be voting in elections to the local authority, or to the National Assemblies in Wales or Northern Ireland. Others have made points about the failure to consult with devolved Administrations. The excuse that the fact that the measures needed to be announced in the House first precluded such consultation simply does not wash; there are plenty of examples of officials in Government Departments discussing issues with officials in devolved Administrations prior to announcements. However, quite apart from that, I have two concerns. First, the significance of either the referendum, or the elections to the devolved Assemblies and the Scottish Parliament, will inevitably be diminished, and neither deserves to suffer that consequence. Making what the right hon. Member for Haltemprice and Howden (Mr Davis) called an informed and deliberate choice is important when it comes to such a significant proposal as a referendum on changing the electoral system.

My second concern is about the recent experience in Scotland of combined elections, which took place in 2007. Perhaps some Members will not be as familiar with what happened as I am, but on that unhappy occasion, a perfect storm of different electoral systems and different ballots with a number of elements to them led to an unprecedented number of spoiled papers. The number of spoiled papers was higher than the majorities in some constituencies.

David Tredinnick (Bosworth) (Con): I have heard the point about the number of spoiled papers before, but surely there must be a way of making it clearer to the electors that there are different voting systems in front of them, perhaps using diagrams. There must be a better way of doing things next time, must there not?

Tom Greatrex: I was just going to make a point about the report on those elections that was commissioned from the Canadian expert, Ron Gould, who considered the matter in great detail. He looked at education and information, but concluded that the sensible approach was to de-combine the elections; that made much more sense and was a better safeguard. Indeed, he said that a problem with combining has to do with the confusion that it creates among the electorate.

I do not agree with some of the comments from the Deputy Prime Minister and others that that is somehow demeaning to the electorate. The experience is there and it is recent. That report was widely welcomed by representatives of the coalition parties both in the House and in the Scottish Parliament in 2007.

I fail to be convinced by the suggestion made by the Deputy Prime Minister earlier in the debate that by working with the Electoral Commission and the electoral administrations, the issue can be dealt with. I remind the House that during preparations for the 2007 elections, there was considerable—some might say interminable—discussion between civil servants, electoral administrators and the Electoral Commission in Scotland, none of whom spotted the problem that was about to befall us and all of whom immediately afterwards, good and diligent people though many of them may be, were involved in a blame game about whose fault it was that the confusion occurred in the first place.

There is a relatively simple solution. If we are to have a referendum, it should be transparent and give confidence in the result. That could be achieved by holding it on a distinct date. That could be a month earlier, a month later or in the early autumn, so that there is a gap between the sets of elections. It will be incumbent on the Government Front-Bench team to consider that during the Committee stage, given some of the amendments that may well be proposed.

8.56 pm

George Eustice (Camborne and Redruth) (Con): I shall support the Bill this evening because I have always been a strong supporter of referendums. They can play an important role in rekindling confidence in our democracy. A referendum allows the country to focus on a single issue, rather than having too much personality in politics and too much party politics. It also encourages the creation of cross-party coalitions based on an issue.

I know that many Opposition Members have gone off the idea of coalitions in the past few months. My first job in politics was working for a different coalition—the no campaign against the euro. Some of those in the Opposition—the Labour against the euro campaign and the Green party, and trade unions such as the Transport and General Workers Union—were instrumental in making sure that this country made the right decision on the euro and decided not to join. I very much look forward to working with old friends again, as I am again on the no side of the campaign, and perhaps with some new friends to defeat the AV referendum campaign.

Our one person, one vote system has stood the test of time. Sometimes I hear proponents of electoral reform say, "If the candidate that you voted for doesn't get elected, your vote is wasted." It is shameful that people say that. There is no such thing as a wasted vote in our democracy. Every party that takes part, however big and however many votes it gets, is part of the richness of that debate. All of us as MPs have to try to win the confidence of voters who might be minded to vote for smaller parties. It is not true that those are wasted votes.

The AV system is not even a more proportional system. It is just a second-rate version of the first-past-the-post system. It does nothing for smaller parties. The message to smaller parties is that people can vote and then try again and again, until in the end they vote for one of the big two parties in any given constituency. That is not more proportional.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): In the light of what the hon. Gentleman has just said, and of his welcome endorsement of giving the

people a say, does he agree that there should be a question in the referendum to offer voters the choice of PR?

George Eustice: That is an interesting proposition and it may be one of the issues that is examined in Committee. Those who advocate proportional representation are at least making an intellectually honest case, whereas there is no strong intellectual case for AV. It is a system that is less proportional and one in which some people have votes counted twice, whereas other people have only one of their votes counted. How can that be more fair?

Robert Halfon: Although I understand the merits of first past the post, does my hon. Friend agree that the one flaw in it is that there are constituencies where no candidate gets a majority of the vote? What does he think of the French system, which retains first past the post but has a second run-off ballot for the top two a week later, making sure that in each constituency the winner has a majority of the vote?

George Eustice: My hon. Friend raises an interesting point. I personally favour the system that we have; it has stood the test of time, and we should stay with it. The system that is used in the French presidential elections might work in a presidential situation where there are just two candidates nationally, but not in the same way when spread more widely.

Sheryll Murray (South East Cornwall) (Con): Does my hon. Friend agree that it would be extremely unfair to expect one of the Cornish constituencies—his, mine, or one of the others—to cross the historic Tamar border that we already have?

George Eustice: My hon. Friend makes an absolutely valid point. Cornwall is a special case. It is not just a normal county—it is a duchy. That is certainly something that should be considered in Committee.

I want to finish by making a couple of points about the fairness of the referendum. I understand the Deputy Prime Minister's argument about the cost of holding a referendum on a separate date. As somebody who would like to see more referendums locally, I also recognise that we need to find a way of running certain local referendums on the same day as local elections. However, this is a very different kettle of fish—we are talking about a national referendum on a major constitutional issue, and that should be held on a separate date.

The current proposition is to run the referendum simultaneously alongside national elections in Wales, Scotland and Northern Ireland. That poses two major problems. First, national elections in Wales, Scotland and Northern Ireland have different spending limits from those pertaining in the referendum, so the Electoral Commission will have two parallel sets of spending restrictions under the Political Parties, Elections and Referendums Act 2000.

Secondly, there is the question of getting a fair debate in terms of broadcasting. It is already challenging enough for broadcasters to show fairness to all parties in an election: imagine how much more difficult it will be if, as well as showing fairness to all the parties in three separate national elections, they also have to show parity and fairness to two sides of a referendum campaign, where different parties will take different views, and different people within those parties will take different views. This aspect has not been considered sufficiently, and I hope that the Government will have further consultations not only with the Electoral Commission but with the Broadcasters Liaison Group to see whether there is a way around it.

9.2 pm

Fiona Mactaggart (Slough) (Lab): In the rhetoric that he used in introducing the Bill, the Deputy Prime Minister said that it would put the people in charge. I can accept that to some extent the referendum on the alternative vote does put the people in charge by giving them a chance to decide on their voting system, although I would much prefer a referendum on proportional representation, which genuinely puts the voter in charge.

I am particularly concerned about the second part of the Bill, because I do not believe that equal registers equate to equal constituencies. On 5 July, I asked the Deputy Prime Minister whether he would draw on the census that is to be held in 2011 in order to improve registration and accuracy in local constituencies; he said no. Members who have been in the House for some time will know that I am not necessarily the biggest fan of the Office for National Statistics. Thames Water estimates, based on the sewage output of Slough, that there are 21,000 more people in the town that I represent than the ONS believes on the basis of its interim assessment of population. Nevertheless, it is completely clear that we have fewer people registered than are entitled to vote. I asked an electoral registration officer why they did not use more frequently the legal power to prosecute non-registered voters. She described taking 17 cases through a very lengthy and expensive process whereby they were presented to lawyers who took two of them to court, and those involved ended up with fines of £10 and £200 respectively. So I am not surprised that we do not see more active prosecutions. Nor am I surprised that there is not more work on improving registers, given that one of the actions of the interim Budget was to cut the extra resourcing for local authority registration officers and press hugely on local authority budgets.

There is a need for a clearer hierarchy of issues in respect of deciding on constituencies. Obviously, equality should be one of the top ones, but it is not the only one. At the last boundary revision, my constituency was increased; I now represent the largest constituency in the whole county of Berkshire. I apologise to the hon. Member for Windsor (Adam Afriyie), who is sitting opposite, because I am going to refer to his constituency without having told him in advance. I accepted the change, which moved 5,000 people from his constituency, whose population is well below the county average, into mine, which has about 12,000 people above the county average.

That is what the people wanted. They were in the borough of Slough and were policed in Slough. They used to come to me continually, but I would say, "I cannot represent you, because you do not live in my constituency," but they would say, "I don't want to be represented by him! I live in Slough!" There needs to be respect for people's feelings about their neighbourhoods, boundaries and constituencies. These people did not want to be represented by someone who did not have the active relationship that I had with their local police commander and local authority.

[Fiona Mactaggart]

Let me say that the ward does not send Labour councillors to the borough; it elects Liberals, so no particular borough advantage was involved. However, the change respected the views of people about their communities. The real problem with the latter part of the Bill is that it does not do that. It specifically says that unitary authority boundaries—and all the authorities in Berkshire are unitary authorities—shall not be counted as local authority boundaries, so they are absolutely irrelevant. It also says that inconvenience to voters that comes out of the first boundary review shall be discounted by the Boundary Commission.[1]

In fact, the boundary changes are for the convenience of the Government. The urgency is on numbers and getting everything settled 18 months before the next general election. Let us be clear: the constituencies of every Member in the House, apart from those with protected constituencies, are likely to be thrown into the air and dropped down in some completely unpredictable way, without any respect for people's lives and constituencies. We will all have to form new relationships with new voters. Under the Bill as it is structured, it would be just as right for there to be two Slough and Windsor constituencies rather than one for Slough and one for Windsor. That disrespects the voter, and I object to the Bill because of that disrespect for the voter.

9.8 pm

Andrea Leadsom (South Northamptonshire) (Con): Having sat here for rather a long time, I am pleased to have had the benefit of hearing the many wise heads who spoke before me. I am glad to be following the hon. Member for Slough (Fiona Mactaggart) because I completely disagree with her. I think that the Bill is totally about democracy. I also disagree with a number of my hon. Friends on this matter. Before the general election, people in this country were clamouring for change—to be given more of a voice and more of a say in how they voted. They certainly wanted the cost of politics and the number of MPs to be reduced. I really believe that there is a democratic requirement to hold the referendum in the interests of promoting our democracy.

That is one reason why I will support the Bill. The other, which is also very much in the interests of democracy, is that we forged a coalition Government in the interests of the country. Had we not done so, we might have limped on in minority government for a few months, or, worse still, the British public might have ended up with the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) still as their Prime Minister in a Lib-Lab coalition. Those two outcomes would have been a disaster, so we had to form a coalition and the Bill was the price that we had to pay. For that reason, too, I believe that we should support the Bill.

Having said all that, when it comes to the referendum, I am a huge advocate of first past the post, and there are three key reasons for that. First, only first past the post provides a clear choice of candidate. People clearly state their preference and get no other alternative, so somebody that they might quite like or have heard of does not end up with their second or third preference vote. They end up with a single Member of Parliament to whom they can relate in their own constituency. Any other system of voting introduces an element of lottery, in which some people vote for only one candidate and some vote for five. If enough vote for five, even when they do not know their fourth, third and second choices, a candidate can be elected to Parliament whom nobody really wanted but who was the lowest common denominator. That is a disaster, and first past the post does not deliver that.

A second reason why I am a strong advocate of first past the post is that we generally end up with a strong Government with a single manifesto. We have already seen, to the cost of many of us, and will no doubt see even more in future, what the downside of coalition government is. It is surely this Bill coming before Parliament, which is the price that has had to be paid to bring together a strong and workable Government. It was not in our manifestos and the people did not vote for it. In fact, although a lot of people have said that no one cares about AV or first past the post, that is not strictly true. A long-standing Conservative party member in my constituency resigned his membership card recently, and why? Because his Conservative Government are now putting in place policies that were not in our manifesto and for which he did not vote. That is the price that we pay for coalitions, and anything other than first past the post will inevitably lead to a greater propensity to coalition Governments.

Pete Wishart (Perth and North Perthshire) (SNP): Does not first past the post lead to some curious results? For example, the Conservatives in Scotland got 17% of the vote but one Member of Parliament. Meanwhile, Labour secured a third of the votes in Scotland and got two thirds of the MPs. Surely that must be wrong.

Andrea Leadsom: The hon. Gentleman makes a very good point, but we have debated the matter at length this afternoon and evening and all agreed that first past the post is not the perfect system. No system is, but nevertheless first past the post offers the chance of a clear preference. The person who is the most popular wins a seat, rather than somebody's second or third choice or the person they hated least. That is the benefit of it. Voters get a single manifesto and can then hold their Government to account on it.

That leads me on to the third important point about first past the post, which is that we get the ability to sack a Government when they have reached the point when we no longer want them. In Germany, for example, where they have long had proportional representation, every time there is a general election they wake up with the same people involved in government, but just with the deckchairs moved around slightly. The same can happen with the alternative vote. The day after polling day in this country, we could have ended up still looking at the right hon. Member for Kirkcaldy and Cowdenbeath. That would have been very bad for democracy, and I believe that first past the post is the right thing for this country and for our democracy.

9.14 pm

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): I am delighted that you have called me to speak in this debate, Mr Deputy Speaker, given that I sent a copy of my contribution away to my local newspaper earlier today saying how magnificent it would be. I was getting a bit concerned that I was not going to be able to make it and that there would be a bit of an error in the local newspaper.

1. *[Official Report, 20 October 2010, Vol. 516, c. 8MC.]*

Two issues are covered in the Bill, and I shall deal with them separately, as the Government should have done. The first is the alternative vote, on which my party, in its manifesto, was committed to having a referendum. For that reason alone, I will back a referendum.

However, let me remind hon. Members of the voting systems in Scotland. For the general election, we have first past the post; for the European elections, we have proportional representation; for the Scottish parliamentary elections, we have both first past the post and an element of proportional representation; and for local government elections, we have the single transferrable vote. In my opinion, that is a car crash of electoral systems, which leads to nothing but confusion, particularly for elderly voters in my constituency.

Like many other hon. Members who have contributed to the debate, I have long held the view that first past the post represents the best system for delivering proper representation and proper governance to a country. Most important, as many other hon. Members have said, politicians cannot hide in first-past-the-post systems. Despite my private feelings, I shall vote to give the public the choice, but I will also campaign to retain the first-past-the-post system.

Three issues concern me about the Bill. The first is the Deputy Prime Minister's position. He has delivered a consistent message about our rotten political system and the new politics that he wishes us to pursue. His attacks have been against both the system and the parliamentarians in it. I disagree with that analysis. The problems that the House has had in the past were created by flawed individuals, not flawed systems.

Secondly, I am deeply concerned about the coalition's plans for AV in the Bill because, as has been said many times in the debate, neither the Conservatives nor the Liberal Democrats put the case for AV in their manifestos. I am therefore baffled about why it is in the Bill, unless there is a more cynical reason: to place the alternative vote referendum alongside the changes to constituencies to create a smokescreen to cover up the gerrymandering of our constituencies in this Parliament.

Mr Stewart Jackson (Peterborough) (Con): I respect the hon. Gentleman, who is making a powerful speech, but does he not find it perverse and unprecedented in recent parliamentary history that his party not only went to the electorate at the general election in favour of an AV referendum, but legislated for it before the election, and yet will vote against that policy tonight?

Mr McCann: We are happy to resolve that problem. All the Government need to do is decouple the measures. We will vote for the AV referendum separately, and against the constituency measure. It is in the Government's —the hon. Gentleman's people's—hands to resolve the matter. However, I will vote against the Bill.

Liberal Democrat voters will still harbour some disappointment about going into coalition with the Conservatives, but nobody should be under any illusions about the duplicity of Liberal Democrats in the affair. Before the election, we had to listen to the nauseating lectures of the Deputy Prime Minister, who told us that his was the only party that had in no way been tainted by the troubles of the previous Parliament. That was not the case—it is factually incorrect—but we were led to believe that the Deputy Prime Minister would arrive on his white steed and there would no longer be any dirty deeds or skulduggery in politics because the right hon. Member for Sheffield, Hallam (Mr Clegg) would save us all. That stomach-churning hypocrisy pales into insignificance when we consider the Bill.

The Boundary Commission will be given the task of making arithmetical calculations and equalisations, and placing seats of 76,000 first, second, third, fourth and fifth in their deliberations, except in constituencies that have an area that exceeds 12,000 square kilometres, and except for the Shetland islands and the Western Isles. When I saw the hon. Member for Orkney and Shetland (Mr Carmichael) after the details of the Bill were released, the smile could not have been taken off his face with a blowtorch because he will get that free run at the next general election.

The primary beneficiaries of all the exceptions are the Liberal Democrats. We should remember that the Deputy Prime Minister said in a speech on political reform on 7 April 2010 that only the Liberal Democrats could be trusted on political reform.

Mr Alan Reid (Argyll and Bute) (LD): The hon. Gentleman is wrong. He should read the analysis of the hon. Member for Aberdeen North (Mr Doran). If there were no exceptions, the Highlands council area and the islands councils areas would have three seats, all Liberal Democrat. The exceptions mean that the area will have fours seats—three Liberal Democrat and one Scottish National party. The one beneficiary from the exceptions is therefore the hon. Member for Na h-Eileanan an Iar (Mr MacNeil).

Mr McCann: That was an opportune intervention, because I was about to cover that point. We cannot base the new rules on the distribution of seats on arithmetic alone and then seek to introduce measures to protect certain seats. In that way, the Government are simply protecting certain communities against others. It is simply not possible for things to be a little bit equal.

The Bill includes other measures that would be detrimental to our parliamentary system, including the arbitrary reduction of the number of constituencies and the permanent revolution resulting from the boundary changes before each Parliament. Trotsky would indeed be proud of the Bill on that basis alone. However, just in case anyone develops the mistaken and untrue impression that only Members of the House are concerned, I also have a correspondence with Keep Cornwall Whole, which demonstrates that people outside the House believe that the Bill is wrong and that it should not proceed.

The AV referendum, however meritorious in its own right, is being abused by the Conservatives and Liberal Democrats as a cover for their proposals to break up and gerrymander constituencies. I ask right hon. and hon. Members on the Government Benches, particularly those who have spoken passionately on the Bill, to back the AV referendum and ditch the proposed constitutional reform of our constituencies proposed in it.

9.21 pm

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): Like many hon. Members, I trawled through the records to see how many of my constituents had raised this matter over the last three or

[Simon Hart]

four years. I came to the grand total of one, and sadly, that one has subsequently died, although for completely unconnected reasons.

One point of consensus in the debate is that equalisation has its merits—not everybody is against it—and that it contains an element of fairness that we should try to encapsulate in law. However, it seems that there is also a consensus that we should not replace one form of bias with another and that the measure should not be about winning elections. That idea seems to be taking root, and in fact, the process rather than the principle appears to be the greatest source of concern.

Turning to some examples from where I live in Wales, it takes an hour and 40 minutes—a modest amount of time—to drive from one end of the Carmarthen West and South Pembrokeshire constituency to another. In Vauxhall, where I live in London, it takes about an hour and 40 minutes to walk across the constituency. By adding 15,000 people to the electorate in the former, we will almost certainly disconnect rural communities from their Member of Parliament slightly more than we should. If we have learned anything in the past 10 years, it is that we should try to connect rural communities, not disconnect them.

In Wales in 2011—I can hardly wait—we have a referendum on AV and one on further powers for the Welsh Assembly, and a Welsh Assembly election, at what cost I do not know. Yet the principle of reducing Welsh MPs by 25%, to which many hon. Members have referred, could be agreed, at least in principle, without any reference to the Welsh nation by 10 o'clock this evening.

Is seems to me that it is simply not sensible to apply a one-size-fits-all solution to a nation that has different social, economic and political values. If we go down the route of the proposals, Welsh Assembly and general elections will actually coincide in 2015, and we might have the slightly confusing situation of using two completely different voting systems along two different boundaries—one for the Welsh Assembly, one for the Westminster election—and, of course, with two languages to contend with at the same time. If that does not pose a problem of definition and understanding, I do not know what does. That must be reflected in the Bill before it is enacted, but it has not been properly addressed in the debate.

Penultimately, on the effect of the alternative vote in Wales, the Deputy Prime Minister said some time ago that the referendum campaign would not be party political. However, it is hard to imagine how that could be so, when he and the Prime Minister are travelling in slightly different directions on the subject. In Wales, we will hold the referendum on the same day as a very party political Welsh Assembly vote. We cannot possibly claim that that will not have some impact on the result. For example, what can the media legally say about the campaign? What can Welsh Assembly candidates say? What can Members of Parliament, who will be asked to comment, say about the AV referendum when we are bound by party political restrictions and will be involved in a party political campaign at the very same time? Will the measures simplify or simply complicate matters for voters? None of these questions have been properly dealt with today.

Last, I wish to address the issue of honesty. Let us not try to fool people about this Bill. Let us not pretend that it is a response to some kind of great public desire or thirst. Let us not pretend that so much money will be saved or that voting will be easier or that an unfortunate whiff of party political interest is not beginning to develop in these measures. But all that does not necessarily mean that the Bill should fail, because it is built on reasonably sensible, sound and fair foundations. It is the process, not the principle to which I object.

We have 649 boundary reviews coming up, which need to be in place, completed, signed, sealed and delivered by 2014, which will create a problem that extends beyond voters. It will impose considerable difficulties on all the political parties represented in this House—in administration, reforming, refunding and selecting new candidates—and will also have a significant bearing on voters.

As we have discovered, there is a fine line between political reform and political vandalism. Those of us who believe in proper political reform will be disappointed if that reform is set back by years if we fail to amend the Bill significantly or take into account some of the important evidence and impassioned speeches that we have heard from all quarters of the Chamber today.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. The winding-up speeches will begin at 9.30.

9.27 pm

Ian Murray (Edinburgh South) (Lab): I am grateful for the opportunity to take part in this debate, and I will be brief in order to keep to the three-minute time limit you have given me, Mr Deputy Speaker.

I wish to follow the point made by my hon. Friend the Member for Slough (Fiona Mactaggart) about under-representation. Indeed, my constituency was mentioned by the Deputy Prime Minister in his opening remarks. The mid-2007 estimated population of my constituency was just over 88,500. Almost exactly 20% of those people are not eligible to vote, giving a notional registrable electorate of 71,000, or around the mean of the national average, given the 650 seats in this House. However, the number actually on the electoral register is around the 60,000 mark, so we must ask where those 10,000 or 11,000 missing people are. I suggest that the vast majority fall into one of the three categories highlighted by the Electoral Commission—young people aged 17 to 24, private sector tenants and the black and ethnic minority residents in my constituency.

The Edinburgh university students association did some work that estimated that there are more than 20,000 students in Edinburgh, and of those some 9,000 would be eligible to be registered in my constituency. On the Electoral Commission's figures, 50% of those students are not registered, accounting for 4,500 of the missing electorate. I mention this because the principle of equalisation is not denied. We agree with it, but we must ensure that we achieve equalisation of representation at the same time. Some 25% of all the constituents who come to my constituency offices are not on the electoral register. Therefore, if we arbitrarily adopt a 600-seat House and just divide the number of people on the

register in December 2010 by 600, we will end up with an artificial figure that under-represents the most vulnerable and the hardest to reach.

The evidence is borne out by the Lothian Valuation Joint Board, which by December 2010 will have completed only 85% of the work that it does on the register. Therefore, the electoral registration figures that will be used to fundamentally redraw our constituencies will be—

Mrs Laing: Will the hon. Gentleman give way?

Ian Murray: I would, but I am afraid that I do not have time to do so.

The electoral registration figures in December 2010 will be far short of where they would be in the final register that the board will put together.

In the limited three minutes that I have been given to speak, I would like to say that the disparity between the largest and the smallest constituencies is a concern for the House. Nobody here would disagree that equalisation of constituencies is something that we should all strive towards. However, what we cannot do is strive towards it on the basis of an arbitrary figure, drawn from an electoral register that is not just out of date, but misses out the hardest-to-reach parts of our constituencies. If we do that, we will not only be doing a disservice to the hardest-to-reach, but ensuring that the Members of Parliament to whom they look to help them are under-represented.

9.30 pm

Mr Peter Hain (Neath) (Lab): After 36 excellent speeches, this debate has revealed serious objections, from all parts of the House, to the constituency changes proposed in the Bill. Indeed, as the right hon. Member for Belfast North (Mr Dodds) and my hon. Friend the Member for Great Grimsby (Austin Mitchell) pointed out, almost nobody, on either side of the House, spoke fully in favour of the Bill, with the exception of the Deputy Prime Minister. The hon. Members for Broxbourne (Mr Walker), for Aldridge-Brownhills (Mr Shepherd) and for Christchurch (Mr Chope) all made impassioned speeches about the dangers of diminishing the numbers of Back Benchers compared with the Executive and about the balance of power in this House. The right hon. Member for Haltemprice and Howden (Mr Davis) made a telling point: that abolishing public inquiries will actually trigger a much greater spate of judicial actions based on objections to the new constituencies from local electors.

My hon. Friends the Members for Glasgow North West (John Robertson) and for Rutherglen and Hamilton West (Tom Greatrex), and the hon. Members for Camborne and Redruth (George Eustice) and for Na h-Eileanan an Iar (Mr MacNeil) all pointed out the serious problem of staging the referendum on the alternative vote on the same day as national elections in Scotland and Wales. My hon. Friend the Member for Caerphilly (Mr David) pointed out the astonishing reality that the Deputy Prime Minister and the Government failed to consult the Governments of Northern Ireland, Scotland and Wales on the decision simply to impose the referendum on the same day as their elections—and by the way, also on the same day as elections for local councils of different electorates.

My hon. Friend the Member for Nottingham North (Mr Allen), the distinguished Chairman of the Select Committee on Political and Constitutional Reform, made the point that not only has there been no consultation across the country or with the elected Governments of Northern Ireland, Scotland and Wales, but there has been no consultation with this House. There has been no pre-legislative scrutiny or any recognition of the need to build constitutional reform Bills by consensus—a point also made powerfully by the right hon. Member for Belfast North and my right hon. Friend the Member for Torfaen (Paul Murphy). With his Northern Ireland experience, my right hon. Friend made the point about the importance of taking forward constitutional change on the basis of consensus rather than simply imposing change, as this Bill is doing.

The Deputy Prime Minister—the leader of the Liberal Democrats—has brought forward a Bill changing constituencies in a way that is fair only to the Conservative party. Some Liberal Democrat leader he is! The proposal is grossly unfair to Labour and especially and blatantly unfair to Wales, which will lose fully a quarter of its representation. It is also grotesquely unfair to local communities, imposing on them new constituencies from Whitehall and depriving them of their traditional rights to be fully involved in a process that is at the very heart of our system of parliamentary democracy.

Having swallowed a Budget that is unfair to the poor and pensioners and, quite astonishingly, most unfair to the poorest parts of Britain, including the north-east of England and Wales, now the Government are also destroying the fairness at the heart of our parliamentary democracy. They trumpet the case for equalisation of constituencies as though it were a novel concept, but equalisation has been the all-party principle behind our constituency system for generations. We are all signed up to it, but the boundary commissions have applied it in a flexible way over the generations, and in a way that is independent and takes proper account of local views, community identity, rurality and sparsity. In other words, the boundary commissions have operated the equalisation principle by consensus, in a way that is fair, practical and sensible. The Government have abandoned that consensus, in a way that is unfair, impractical and arrogant.

Mr Jeremy Browne (Taunton Deane) (LD): I have 84,000 constituents. How many does the right hon. Gentleman have?

Mr Hain: I have just under 60,000, although my constituency is different. I would be happy to see more constituents in my constituency if this Bill were proceeding on a fair basis, with public inquiries and taking local consultation into account. The only exception to the equalisation principle, allowing some flexibility, is in the protection given to four geographically large seats in Scotland, three of them Liberal-held. As my hon. Friend the Member for Aberdeen North (Mr Doran) pointed out, we can conclude in respect of Ross, Skye and Lochaber only that this preferential treatment was the price paid to keep its Member, the former leader of the Liberal Democrats, from defecting to the Labour party.

Obviously, in the Government's definition of equalisation, some seats are more equal than others, as my hon. Friend the Member for East Kilbride, Strathaven and

[Mr Hain]

Lesmahagow (Mr McCann) said. Wales, because of its own special characteristics, has always had special consideration by this Parliament and by the Boundary Commission for Wales, with cross-party support over the generations. For that reason, Parliament first decided in 1947 that there should be no fewer than 35 Welsh seats. Since then, rises in and shifts between the population over the past 60 years have led the Boundary Commission to increase the number of seats by a further five to 40. As a note from the Commons Library of 28 July 2010 confirms in paragraph 3.1, during the passage of the Boundary Commissions Bill in 1992, the then Home Secretary, the right hon. and learned Member for Rushcliffe (Mr Clarke), rejected the argument that over-representation of Wales should be tackled, referring to it as a long-standing constitutional arrangement—a point eloquently explained by my hon. Friend the Member for Caerphilly.

This Bill, however, will impose on Wales the most savage cut of all—a fact that the hon. Member for Cardiff North (Jonathan Evans) actually celebrated. Wales will lose three times the proportion of MPs as the average for the rest of the United Kingdom—a reduction of a full quarter from 40 to 30. As my right hon. Friend the Member for Torfaen said, how can that possibly be justified? Wales is long used to the Tories treating it unfairly and punitively, yet now the Liberal Democrats are doing the very same thing. I hope that the Deputy Prime Minister and the Minister replying will have listened to the arguments of the hon. Member for Ceredigion (Mr Williams), who asked for the changes in Wales to be delayed at least until after the referendum, given that successive arguments are being made within the Welsh Conservative party.

In the vast rural areas of mid and west Wales, the four constituencies—none Labour-held—including Brecon and Radnorshire, Montgomeryshire and Ceredigion, cover hundreds of square miles, yet under the Bill those four large seats will become two monster ones, each thousands of square miles in size. Until this Bill, every Parliament and every boundary commission has accepted an elementary verity about the Welsh valleys. In former coal mining constituencies, it is impossible to visit the next valley by the shortest route, because that happens to be over the top of a mountain. The only way to do so is by travelling either down to the bottom of the valley or up to the top of it and right around to the next one.

The Bill will produce a monumental list of other anomalies. The hon. Member for Isle of Wight (Mr Turner) is absolutely right to be incandescent about the carve-up of his island constituency; but let me say this to the rest of the House. Just wait until every Member in every area realises what will be done to their own constituencies based not on natural communities, not on natural towns or parts of cities, but on an arithmetical diktat imposed by the Deputy Prime Minister and the Government on the boundary commissions. *[Interruption.]* Government Members shake their heads, but I predict that they will all find that when it comes to their own constituencies, there will be rebellions in their local areas against this diktat from the centre on an arithmetical basis.

What we are seeing and what people find most offensive about the Bill is the way in which it sweeps away local democracy, as the hon. Member for Foyle (Mark Durkan) said. For generations, constituency boundaries have been reviewed and adjusted by local agreements, not by central imposition. Local people have had the opportunity to object if community identities were threatened or unsuitable mergers with nearby towns or villagers were proposed. Formal hearings would hear representations, and a final decision would be agreed, if not always by total consensus then at least with broad support. Last time, the process necessarily took fully seven years in England.

The Bill has unilaterally dumped that process for a rigid two-year deadline in a straightforward fix, abolishing the right to trigger public inquiries and destroying a bipartisan, independent system of drawing up boundaries, which has been the envy of countries elsewhere in the world. So much for big society localism. The Prime Minister tells us that the big society is about "empowering local communities"—a favourite phrase of the Deputy Prime Minister. As the hon. Member for Aldridge-Brownhills has said, however, the Bill destroys the essence of the British parliamentary democratic system, by imposing from the centre rather than developing from a pattern of constituencies. It rides roughshod over and breaks up local communities, as my hon. Friend the Member for Slough (Fiona Mactaggart) said. It proposes an arbitrary and partisan reduction by 50, to 600 seats, because that would hurt Labour most. A steeper reduction would have abolished too many Conservative seats.

Most outrageously, the Government have said that they intend to redraw the boundaries based on the December 2010 register, when they know that the current register is missing more than 3.5 million eligible voters, predominantly the young, poor and black and minority ethnic social groups. As my hon. Friend the Member for Vale of Clwyd (Chris Ruane), a champion of this point, tellingly argued, the problem of under-representation is greatest in urban areas, student towns and coastal areas of high social deprivation. As my hon. Friend the Member for Islington South and Finsbury (Emily Thornberry) said, London will be especially badly hit.

The Liberal Democrat leader has allowed himself to be sandbagged by his Tory partners in his otherwise laudable attempt to introduce a fairer electoral system, risking a once-in-a-generation opportunity for electoral reform. Instead of introducing a separate Bill on the alternative vote referendum, which would have been supported by the Labour party in a vote through Parliament, in line with our manifesto commitment, the Government have spatchcocked it together with the most blatant gerrymander of parliamentary constituency boundaries since the days of rotten boroughs.

As our amendment argues, the Government should decouple the proposals into two separate Bills: one on the alternative vote referendum and one on constituencies. In the constituency one, they should ensure that the original, fairer, more transparent and consensual boundary review system is restored, and that new boundaries are not applied in such a dogmatic, rigid and politically discriminatory fashion. They should ensure that Wales is treated fairly and not punitively, and statutory automatic registration from other public databases must be included in the legislation. That way, we might get two better reform Bills, based on consensus; we might even get the alternative vote, which I have supported for decades.

The Government should stop trying to rig democracy and ride roughshod over local community views, and they should withdraw this Bill now.

9.43 pm

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): We have had an excellent debate, with a high level of interest from colleagues across the House: 74 Members put their names down to speak, and I counted 40 who managed to make a contribution, all of which were excellent. In the relatively short time remaining, I will not be able to refer to every colleague's contribution, but I will try to deal with as many of the issues as possible.

Before I do so, let me respond to those Members who raised concerns about the time allowed for debate and scrutiny of the Bill. The hon. Member for Nottingham North (Mr Allen), the Chairman of the Political and Constitutional Reform Committee, made clear his concerns and those of his Committee. In addition, my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) raised concerns about the programme motion, which he said was a guillotine—if it is, it has a very blunt blade. For a 17-clause Bill, we have proposed five full days of Committee on the Floor of the House and two days for Report, which adequately recognises the importance of the issue to the House. That was agreed through the usual channels with the Opposition, who presented no objections to our timetable. It is disappointing to learn that they intend to oppose it tonight, and even at this late stage I urge them to think again.

As for the time available for debate in Committee, I should make it clear to Members on both sides of the House that the Government want the House to be able to debate and vote on all the key issues raised by the Bill, and that Ministers will work hard to ensure that the House has that opportunity.

Let me turn first to the referendum on the alternative vote and the concerns expressed about the date. A number of Members pointed out that it is also the date of elections to the devolved legislatures in Scotland, Wales and Northern Ireland, and of elections in most of England. Eighty per cent. of English voters will be eligible to vote on that day.

Andrew Selous (South West Bedfordshire) (Con): Will my hon. Friend give way?

Mr Harper: I will take one brief intervention from my hon. Friend.

Andrew Selous: I am extremely grateful. Can my hon. Friend reassure me that town and parish councils, whose elections are due to take place on the same day as elections to unitary councils, will not be forced by the AV referendum to hold those elections on a later date? That would cost some of them up to £50,000, money that ought to be spent on local services rather than on another election.

Mr Harper: I can confirm that our combination amendment will ensure that parish elections can take place on the planned date. As most of England will be voting on the same date, I foresee no problems with differential turnouts, and I think that Members who are concerned about that can be reassured.

I believe that, far from disrespecting the devolved Administrations—as was suggested by the hon. Member for Na h-Eileanan an Iar (Mr MacNeil), who speaks for his party on this matter—we are treating the voters of those countries with respect. We think that they are perfectly able to vote in their devolved elections and in a simple yes-no referendum on the same day. I think, if I may say so, that the hon. Gentleman underrates his fellow Scots and their capacity for decision making.

Mr MacNeil: Will the Minister give way?

Mr Harper: Very briefly.

Mr MacNeil: If the Minister feels that we are underrating the public, does he not also feel that we should include the single transferable vote on the ballot paper, and let the people really decide?

Mr Harper: I shall come to that later.

A number of Members cited the merits of different electoral systems. As my right hon. Friend the Deputy Prime Minister said, that is a matter for debate not now but during the referendum campaign. I know that Members on both sides of the House, and on both sides of the coalition, will participate vigorously in that debate.

My right hon. Friend the Member for Haltemprice and Howden (Mr Davis) and my hon. Friends the Members for Epping Forest (Mrs Laing) and for Milton Keynes South (Iain Stewart) suggested a turnout threshold. Such a system would make an abstention effectively a "no" vote. It would give people an incentive to abstain from voting, and the Government do not believe that that can be right. As for the issue of turnout and legitimacy, I should point out that in the 2005 election only three Members of Parliament received the support of more than 40% of their registered voters: my hon. Friend the Member for North Herefordshire (Bill Wiggin), the hon. Member for Rhondda (Chris Bryant) and the hon. Member for Belfast West (Mr Adams), an interesting combination. Members who suggest that voting is legitimate only if turnout is above a certain level should think carefully about where the logic of that argument takes them.

Mrs Laing: Will the Minister give way?

Mr Harper: I hope that my hon. Friend will forgive me if I do not. I have a great deal to do, and not much time in which to do it.

The Labour party's position on the referendum on the alternative vote strikes me as ridiculous. Labour supported an AV referendum before the election—it was in the party manifesto—but Labour Members are not supporting it now. They are hiding their opportunism behind the fig leaf that the proposal is contained in a Bill that plans a boundary review to provide more equally sized constituencies and more equal votes.

The right hon. Member for Blackburn (Mr Straw) has criticised us for not presenting our proposals in a stand-alone Bill. Given that both our measures concern the election of Members of Parliament to the House of Commons, it seems perfectly sensible to link them. I remind him that he presented proposals for an AV referendum in the Constitutional Reform and Governance Act 2010. That was hardly a stand-alone Bill. It also included measures relating to the civil service commission, the civil service code of conduct, the ratification of treaties, amendments to the Independent Parliamentary

[Mr Harper]

Standards Authority, the tax status of Members of Parliament, financial reporting to Parliament, freedom of information, counting of votes and the Act of Settlement.

Mr Straw: The difference is that all of those had been subject to extensive pre-legislative scrutiny and were agreed across the House, whereas one part of this is agreed but the other is a wholly partisan measure. The political purpose behind it has been well exposed by the hon. Member for Cities of London and Westminster (Mr Field) in his excellent blog on the ConservativeHome website.

Mr Harper: The right hon. Gentleman has just demonstrated that on this issue the Opposition have put opportunism before principle, and it will not get them very far.

The boundaries argument is straightforward. The Government believe seats should be of more equal size so that votes are of more equal value. Indeed, the right hon. Gentleman and his colleague the right hon. Member for Neath (Mr Hain) have both said at different times that they agree with that principle. They say that, in theory, they believe in it; however, they oppose it in practice. That is not, of course, on principle; it is because they believe our proposals correct a bias in favour of them in the current system—another example of opportunism.

Many of my right hon. and hon. Friends spoke powerfully in favour of our proposals, including my hon. Friend the Member for Chelsea and Fulham (Greg Hands) in an excellent speech and my hon. Friend the Member for Milton Keynes South.

The right hon. Member for Blackburn cannot have it both ways. He tried to argue that our boundary proposals were purely arithmetic and did not take anything else into account, and simultaneously that they were about gerrymandering the system to suit us. Those arguments cannot both be true.

A number of Members, including the right hon. Member for Neath, referred to a likely reduction in the number of seats in Wales from 40 to 30, as did the right hon. Member for Torfaen (Paul Murphy) and the hon. Member for Ceredigion (Mr Williams). That simply corrects the fact that at present Wales is over-represented in this House. Once the measures in the Bill come into force, Wales will be treated in exactly the same way as England, Scotland and Northern Ireland. It will be represented in exactly the same way as the rest of the United Kingdom, which, it seems to me, is extremely fair. That is my response to the right hon. Member for Belfast North (Mr Dodds) as well, who made exactly the same point about Northern Ireland. The reduction in the number of seats simply corrects existing over-representation, which also used to exist in Scotland and was largely corrected at the last election, although there is a little more still to do. Every part of this United Kingdom will be treated in the same way, and most voters will think that that is eminently fair.

The right hon. Member for Belfast North and the hon. Member for Foyle (Mark Durkan) talked about the linkage between Westminster seats and those for the Northern Ireland Assembly. They will both know that the Assembly is under a statutory duty to consider its operation by 2015, including the size of the Assembly. The Government are committed to bringing forward further legislation during this Parliament to reflect the wishes of the Assembly. The Government have no intention of dictating the size of the future Assembly. We will work closely with the devolved Administrations.

Boundaries will continue to be drawn by the independent boundary commissions in each part of the United Kingdom. As the Deputy Prime Minister said, we will replace local inquiries with a much longer period—increased from one month to three months—for local people to be able to make written representations. The academics' opinion on this is very clear. They have described oral inquiries as

"very largely an exercise in allowing the political parties to seek influence over the Commission's recommendations in which their sole goal is to promote their own electoral interests."

They also say that

"it would be a major error to assume that the consultation process largely involves the general public having its say on the recommendations."

That is not a convincing argument, therefore.

Electoral registration was raised by a number of Members, including the hon. Member for Vale of Clwyd (Chris Ruane)—who, I know from the number of written questions of his that I have answered, takes a great interest in the subject. He will know that the registration rate in the UK is about 91 or 92%, which is broadly in line with that of comparable countries. The boundary review will use the electoral register, as it always has in the past. As the Deputy Prime Minister acknowledged, there are issues with the registration system. I can assure the hon. Gentleman that when we announce our plans for speeding up individual registration he will find that the fears that he expressed this afternoon are misplaced. The Government have no intention of worsening the situation—quite the reverse; we plan, by the measures that we will introduce, to reduce the number of people who are not registered to vote and to improve the system.

A number of hon. Members raised the issue about the number of Ministers that will be in the House of Commons after the size of the House has been reduced, and they will know that the Public Administration Committee produced a report on the issue before the general election. That Committee, which is chaired by my hon. Friend the Member for Harwich and North Essex, is undertaking another inquiry to examine what Ministers do. When it reports, the Government and my right hon. Friend the Prime Minister will look closely at it to see whether the Government want to take forward any of the proposals about the number of Ministers in this House.

The hon. Member for Islington South and Finsbury (Emily Thornberry) talked about foreign nationals and EU nationals not being able to vote in parliamentary elections and therefore not counting for these purposes. That is not a change introduced by the Bill; that is the existing position. It is perfectly normal in most countries that in order for someone to be able to vote for the national Parliament they have to be a citizen of the country concerned. That is a perfectly normal process and we are not changing it in this Bill. It is the existing system and I feel sure that Mrs Clegg will cope with it perfectly well.

My hon. Friend the Member for Isle of Wight (Mr Turner) spoke powerfully on behalf of his constituents. I know that he received a reply to his letter before

today's Second Reading debate, although I accept that it was unacceptably delayed. An apology has been made to him for that, and I can assure him that either the Deputy Prime Minister or I will visit the Isle of Wight to listen to the concerns of his constituents in person.

Stephen Pound: Let us leave the Isle of Wight and turn to the island of Ireland. In view of what the Minister has just said, do the coalition Government have any plans to tear up the long-standing arrangement and reciprocal understanding between this country and the Republic of Ireland on voting?

Mr Harper: No, we do not.

I can assure the hon. Member for Slough (Fiona Mactaggart) that the reference in the Bill to "counties", which she discussed, does include unitary authorities. So the Boundary Commission for England will be able to take into account the boundaries of all the unitary authorities in Berkshire as it draws up new constituency boundaries, subject to the issues relating to parity.[1]

My hon. Friend the Member for Camborne and Redruth (George Eustice) raised the issue of spending limits and broadcasting rules for the referendum. The Electoral Commission will determine whether campaigning is relevant for the elections or the referendum and will issue guidance. This is not an unusual issue to face—we face it with European, London mayoral and Greater London authority elections, as was the case in 2004. The Electoral Commission will work closely with broadcasters to make sure that the rules are clear and fair.

This is an important Bill. As I have said, the Government have made available five full days' debate in Committee and two days for the Report stage, and we want to ensure that the key issues are both debated and voted on by the House. The Bill will start the process towards having seats of more equal size, so that votes are of more equal value, and will make a modest reduction in the size of this House. It will give the people the choice over the voting system for electing Members to this House of Commons. Whatever our views on AV and first past the post—many views are held by those in this House and it is no secret that members of the Government will be campaigning on different sides—we should have nothing to fear from letting the people decide, and I commend the Bill to the House.

Question put, That the amendment be made.

The House divided: Ayes 254, Noes 347.

Division No. 50] **[9.59 pm**

AYES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Chapman, Mrs Jenny
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
Lucas, Ian
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian

1. *[Official Report, 20 October 2010, Vol. 516, c. 8MC.]*

Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, John
Robinson, Mr Geoffrey
Rotherham, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David

Tellers for the Ayes:
Mr Dave Watts and Mrs Sharon Hodgson

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Cameron, rh Mr David
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Hosie, Stewart
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian

Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Macleod, Mary
MacNeil, Mr Angus Brendan
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Angus
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Weir, Mr Mike
Wharton, James
Wheeler, Heather
White, Chris
Whiteford, Dr Eilidh
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wishart, Pete
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Bill Wiggin and Mark Hunter

Question accordingly negatived.

Question put forthwith (Standing Order No. 62(2)).
That the Bill be now read a Second time.

The House divided: Ayes 328, Noes 269.

Division No. 51] **[10.15 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Cameron, rh Mr David
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Foster, Mr Don
Fox, rh Dr Liam
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert

Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Randall, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Uppal, Paul
Vaizey, Mr Edward
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and Mark Hunter

NOES

Abbott, Ms Diane
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Binley, Mr Brian
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bone, Mr Peter
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Cash, Mr William
Caton, Martin
Chapman, Mrs Jenny
Chope, Mr Christopher
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella

Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
Davies, Philip
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hollobone, Mr Philip
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
Lucas, Ian
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Nuttall, Mr David
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shepherd, Mr Richard
Sheridan, Jim
Shuker, Gavin
Simpson, David
Singh, Ms Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Tapsell, Sir Peter
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Mr Andrew
Turner, Karl
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David

Tellers for the Noes:
Mr Dave Watts and
Mrs Sharon Hodgson

Question accordingly agreed to.
Bill read a Second time.

PARLIAMENTARY VOTING SYSTEM AND CONSTITUENCIES BILL (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Parliamentary Voting System and Constituencies Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee

2. Proceedings in Committee of the whole House shall be completed in five days.

3. Standing Order No. 83B (Programming committees) shall not apply to the proceedings on the Bill in Committee of the whole House.

Consideration and Third Reading

4. Any proceedings on consideration and proceedings on Third Reading shall be completed in two days.

5. Any proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the second day.

6. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

7. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

8. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or any further messages from the Lords) may be programmed. *(Jeremy Wright.)*

The House divided: Ayes 324, Noes 272.

Division No. 52] **[10.32 pm**

AYES

Adams, Nigel
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bottomley, Peter
Bradley, Karen
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Cameron, rh Mr David
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Randall, rh Mr John
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew

Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and Bill Wiggin

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bone, Mr Peter
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Gordon
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Cairns, David
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Carswell, Mr Douglas
Cash, Mr William
Caton, Martin
Chapman, Mrs Jenny
Chope, Mr Christopher
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
Davies, Philip
Davis, rh Mr David
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Durkan, Mark
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Fiello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Heyes, David
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hoey, Kate
Hollobone, Mr Philip
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Jenkin, Mr Bernard
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
Nuttall, Mr David
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reckless, Mark
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Reynolds, Jonathan
Ritchie, Ms Margaret
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rosindell, Andrew
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Sarwar, Anas
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Shepherd, Mr Richard
Sheridan, Jim

Shuker, Gavin
Simpson, David
Singh, Mr Marsha
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Weir, Mr Mike
Whiteford, Dr Eilidh
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David

Tellers for the Noes:
Mr Dave Watts and
Mrs Sharon Hodgson

Question accordingly agreed to.

PARLIAMENTARY VOTING SYSTEM AND CONSTITUENCIES BILL (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)).

That, for the purposes of any Act resulting from the Parliamentary Voting System and Constituencies Bill, it is expedient to authorise

(1) the payment out of money provided by Parliament of

(a) any expenditure incurred under the Act by a Minister of the Crown, and

(b) any increase attributable to the Act in the sums payable under any other Act out of money so provided, and

(2) the payment out of the Consolidated Fund of

(a) the charges payable to Regional Counting Officers and counting officers in connection with the referendum on the voting system for parliamentary elections,

(b) sums payable in respect of increases in superannuation contributions required to be paid by local authorities in consequence of fees paid as part of those charges, and

(c) any increase attributable to the Act in the sums payable under any other Act out of that Fund, and

(3) the payment of sums into the Consolidated Fund. *(Jeremy Wright.)*

The House divided: Ayes 319, Noes 91.

Division No. 53] **[10.50 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bradley, Karen
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Durkan, Mark
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman

Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCartney, Karl
McDonnell, Dr Alasdair
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Pugh, Dr John
Randall, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Ritchie, Ms Margaret
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and Bill Wiggin

NOES

Abbott, Ms Diane
Bailey, Mr Adrian
Banks, Gordon
Bayley, Hugh
Begg, Miss Anne
Blomfield, Paul
Brown, rh Mr Nicholas
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Cash, Mr William
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Cunningham, Tony
Dakin, Nic
Davidson, Mr Ian
Davies, Philip
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Doran, Mr Frank
Dowd, Jim
Edwards, Jonathan
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hamilton, Mr David
Hanson, rh Mr David
Healey, rh John
Hilling, Julie
Hollobone, Mr Philip
Hosie, Stewart
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Keeley, Barbara
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Lucas, Caroline
MacNeil, Mr Angus Brendan
MacShane, rh Mr Denis
Mactaggart, Fiona
McCabe, Steve
McCarthy, Kerry
McCrea, Dr William
McDonagh, Siobhain
McDonnell, John
McKechin, Ann
Mearns, Ian
Michael, rh Alun
Miller, Andrew
Morrice, Graeme
Mudie, Mr George
Nuttall, Mr David
O'Donnell, Fiona
Onwurah, Chi
Paisley, Ian
Perkins, Toby
Reeves, Rachel
Reynolds, Jonathan
Robertson, Angus
Rotheram, Steve
Roy, Mr Frank
Shannon, Jim
Sharma, Mr Virendra
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stuart, Ms Gisela
Turner, Karl
Vaz, rh Keith
Vaz, Valerie
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Wilson, Phil
Winterton, rh Ms Rosie
Wishart, Pete
Wood, Mike

Tellers for the Noes:
Mr Dave Watts and Mrs Sharon Hodgson

Question accordingly agreed to.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)).

PUBLIC HEALTH

That the draft Health and Social Care Act 2008 (Consequential Amendments No. 3) Order 2010, which was laid before the House on 21 June, be approved. —(*Jeremy Wright.*)

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)).

FINANCIAL SERVICES AND MARKETS

That the draft Financial Services and Markets Act 2000 (Contribution to Costs of Special Resolution Regime) Regulations 2010, which were laid before this House on 5 July, be approved.—(*Jeremy Wright.*)

Question agreed to.

PETITION

Constituency Boundaries (Isle of Wight)

11.4 pm

Mr Andrew Turner (Isle of Wight) (Con): I present a petition that collected approximately 14,500 signatures of a total of 17,529 including the electronic petition, which was shown to No. 10 this morning, on the OneWight campaign.

The petition states:

The Petition of residents of the Isle of Wight and others,

Declares that the petitioners believe that the unique circumstances of the Isle of Wight must be recognised in any proposals for parliamentary boundary reform.

The Petitioners therefore request that the House of Commons rejects any legislation that would merge any part of the Isle of Wight with a mainland constituency, and that the House of Commons urges the Government to ensure that the Isle of Wight benefits from exceptions similar to those applied to the Scottish Islands with no physical link to the mainland.

And the Petitioners remain, etc.

[P000856]

Public Expenditure Reductions (Women)

Motion made, and Question proposed, That this House do now adjourn.—(*Jeremy Wright.*)

11.5 pm

Ms Diane Abbott (Hackney North and Stoke Newington) (Lab): It gives me great pleasure to introduce the first Adjournment debate after the recess. There could be no more important subject for it than that of women and the economy. Such a debate could not have taken place 50 years ago, when women's contribution to the economy was seen as marginal, temporary and time-limited. In the 21st century, however, women play a huge role in the economy, and it is right and proper for us to examine the impact of the Government's "cuts Budget" on women, the family and children.

This Budget—this package of public expenditure cuts—will bear most heavily on the poorest, on women and on children. Our Chancellor has cut and frozen too many programmes that were aimed largely at women, in one of the most unfair and regressive Budgets that I have seen in 23 years in Parliament. His decision to freeze child benefit, scrap the child trust fund, end Sure Start maternity grants, abolish the health in pregnancy grant, cap housing benefit and freeze public sector pay will have a greater impact on women than on men. Women will shoulder fully three quarters of the burden. Research findings in our own House of Commons Library prove that they will shoulder the biggest burden of the cuts. As a result of changes in the revenue raised through direct tax and cuts in benefit, women will contribute £5.8 billion of the £8 billion that the coalition seeks to raise by 2014-15. They will contribute three times as much as men. More than 70% of the £8 billion that Government Members are so proud of raising will come directly from the pockets and wage packets of female taxpayers.

No Labour Member is a deficit denier, and no Labour Member does not believe that we need to take action against the deficit in the long-term interests of society, the country and our economy. However, we are united in believing that the Government's proposals are uniquely unfair, and will also prove to be ineffective. The research findings in the House of Commons Library take into account changes in tax allowances, capital gains tax rises and changes in tax credit, benefits and pensions, but they do not take into account the £560 million-worth of cuts in the child trust fund, which suggests that women will be hit even harder than the Library figures suggest. Nor do the figures take into account the cuts in public spending and the effect that they will have on women who work in the public sector.

I am an inner-city Member. Most of my constituents work in the public sector. Many of them are women, and many of those women are in female-headed households. They do not have private sector jobs to step into, and they do not have a man to keep them at home. When families lose their major wage earner it is a huge blow to them, and I fear that it may take years for those families and communities to recover. Women will lose out whether or not they are mothers. Support for children has been cut by a huge £2.4 billion, but even when that is discounted women without children will still pay more than men. When we discount all the benefit changes that will affect mothers, women will still pay £3.6 billion towards the

deficit compared with £1.9 billion for men—that is twice the amount—and, as we know, the cuts in benefits will only exacerbate existing inequalities in income between men and women.

Underlying the Government's package—this Government who claim to be new, warm and inclusive—is a very old-fashioned view of society. I was very struck to hear Iain Duncan Smith, who has looked at poverty issues—

Mr Speaker: Order. May I gently say to the hon. Lady that she should not refer to other Members by name?

Ms Abbott: I was very struck to hear the Secretary of State for Work and Pensions, who has paid a lot of attention to poverty issues, saying that he thought it was important that people were prepared to move around the country from estate to estate in search of work. What family model is he thinking of? The family model he is thinking of is one where only the husband works. It did not seem to occur to him that many of these families also have women who work and who are not willing to pack up and follow their husband around the country. There are some very old-fashioned views of society here.

The Budget, together with the likely changes to the welfare system, seems to me to be more supportive of an outdated male breadwinner and dependent female carer model than the dual earner, dual carer model, which is more representative of society whether in Hackney, inner-city Newcastle or middle England. In short, it suggests that the Government are, for all the window dressing, out of touch and unwilling to move with the times.

The House will not need to be reminded that women rely more on benefits and tax credits than men. A larger share of women's income is made up of benefits and tax credits. More women than men earn too little—because women are largely among the lower paid—to benefit from the change in income tax thresholds. Women are also more likely to work part time or unpaid, meaning they rely on benefits, particularly tax credits, to boost their income. These changes and the cuts to benefits have been dubbed the worst for women since the creation of the welfare state. I have therefore called this debate in order to put on the record the fact that I think this Budget is not just bad for Britain, but bad for women in Britain.

The Chancellor of the Exchequer insists that his Budget is a progressive Budget but, sadly, that only proves to me that this distinguished product of St Paul's school does not understand the technical meanings of "progressive" and "regressive" in respect of economic matters. Under any analysis this is a regressive Budget because, in relative terms, it takes more from the poor than from the rich.

Toby Perkins (Chesterfield) (Lab): On the comments that have been made about the Budget proving that we are all in this together, the analysis that my hon. Friend is setting out demonstrates not only that women are getting it with both barrels, but that at the same time as women are being asked to pay such a high price for the mistakes of the bankers who got the country into this financial mess, the situation of major industries will, through the cut in corporation tax, improve. Women will be expected to pay more, but big business, and particularly the banking sector, will be better off as a result of the Budget. Does that not demonstrate that we are not in fact all in this together?

Ms Abbott: I am grateful to my hon. Friend for that comment. It is extraordinary that this so-called progressive Budget will disadvantage women with families—and particularly poorer women with families—and advantage big business and bankers. The welfare state, which Government Members love to decry, is essential for stay-at-home mums—a strong state is essential for them—but it is also important for working mums.

Government support is essential for mothers who want to stay at home with their children. I went back to work when my son was eight days old—he voted in the Lobby when he was eight days old—but that was my choice. I have always argued—as have my own Government when Labour was in office—that women should have a choice. We should not financially disadvantage women who choose to stay at home. This Budget, in the cuts that it will make to the welfare state, will make it harder for stay-at-home mums and for working women, because of the predominant number of working women in the public sector. Even the initial decision to freeze public sector pay will hit women, because 4 million of the 6 million people who work in the public sector are women and so women are twice as likely to suffer from the pay freeze. When discussing the public sector cuts further, we must consider the number of women who are head of their household and who will be affected by the 600,000 new job cuts likely by 2016.

Widespread discrimination still takes place in the workplace. A report by the Equality and Human Rights Commission calculated that at the current rate of progress it will take 60 years for women to gain equal status on the boards of the FTSE 100 top companies. So we must ask ourselves why the Government have gone ahead with a Budget that hits women so disproportionately. We have to ask ourselves why they have used a ratio of public sector cuts to tax of 80:20, given that even the previous major Tory cuts Budget, which was under Norman Lamont, used a ratio of 50:50. The 80:20 ratio is at the heart of why this Budget hits women so hard.

The Fawcett Society, which campaigns for pay and pensions equality between men and women, has taken the Treasury to court over the Budget; it has filed papers with the High Court to seek a judicial review of the Government's emergency Budget, and it is right to do so. Its chief executive, Ceri Goddard, has said:

> "Successive governments have failed to give enough consideration to how their policies will impact on equality between men and women, but this budget shows a whole new level of disregard for the importance of equality law and everyday women's lives."

The public are giving this new Government an element of a honeymoon period, but Government Members must mark my words. They will see what happens as the financial impact of this Budget comes to bear on ordinary people and they realise what the plans for child benefit are, what the consequences of abolishing the child trust fund and the health in pregnancy grant are, and what effects the proposed housing benefit cuts have on children living in housing need in London—the Minister knows this better than I. London is a high-rent area, so many women and children will find themselves homeless or having to live in more overcrowded conditions, which will make it even harder for them to access work.

Mary Macleod (Brentford and Isleworth) (Con): Does the hon. Lady agree that the increase in the personal tax allowance will help many women? It will remove 880,000 people out of income tax altogether, the majority of whom will be women.

Ms Abbott: That will help some women, but it will not help women on benefits or the very lowest paid women. As I say, the way in which the figures add up means that women are still hit disproportionately.

In conclusion, I urge the Government, even at this late stage, to re-examine the decisions they have made. In particular, I urge the Minister to take seriously the Government's legal obligation to assess the equality impact of the Budget on different groups, specifically men and women. I urge them to carry out and publish a gender equality impact assessment of the emergency Budget and to take mitigating actions where policies look set to hurt women disproportionately.

Esther McVey (Wirral West) (Con): I am delighted that the hon. Lady has raised this issue in the Chamber tonight, because I have worked with women in business for the past 10 years. On everything that she talks about—every consequence, every dilemma and every situation that women are in—she has to look to her Government and ask why we are in this disastrous economic state, and she has to bear the responsibility for what is happening. The picture for women in business is mixed. The latest results coming out this week say that a third of women are now the main breadwinner, 39% earn more than their partners and 19%—

Mr Speaker: Order. Could I just very gently say to the hon. Lady that if this is an intervention—and it is—it needs to come to a conclusion very soon?

Esther McVey: My point is that we have to move forward, and the Conservative party is looking at how to get the 150,000 women who are not setting up businesses—when compared with the number of men who are—to do so. That would be worth £7 billion to the economy. What would the hon. Lady's advice be to women on how to even out the economy?

Ms Abbott: I shall not allow myself to be distracted by the hon. Lady, except to say that the reason why we face the necessity of making cuts on this scale is not Labour's irresponsibility but greedy bankers' irresponsibility—greedy, under-regulated bankers who almost crashed the world economy.

Esther McVey: Will the hon. Lady give way?

Ms Abbott: I am afraid that I cannot, because I want to allow time for the Minister to reply.

I want the Minister to give us her assurance that, before making those cuts, the Government will carry out a full and robust gender equality impact assessment. We all know that savings have to be made; my argument is that they should not be made at the expense of women. We all know that we have to move forward; my argument is that women, certainly in my constituency, will not be able to do so with the ball and chain that welfare cuts and the removal of child tax credits represent. They will not be able to move forward, shackled as they will be by unfair and unthought-out cuts in welfare and public sector spending.

Fifty years ago we could not have had this debate. Fifty years ago there would not have been this many women in the Chamber to debate it. I am glad that Government Members have stayed for this debate. It is important, and women out there, in the country, want to know that their voice will be heard on issues to do with the economy and the potentially devastating cuts package with which the Government seek to meet the challenge of the deficit.

11.22 pm

The Minister for Equalities (Lynne Featherstone): I very much welcome the opportunity to speak on this subject, and to clear up once and for all some of the myths surrounding the Budget and its impact on women.

I shall refer first to some of the points that the hon. Member for Hackney North and Stoke Newington (Ms Abbott) made, before putting the Government's case per se. The Library findings were biased in their Budget analysis. The analysis was not robust; it included only selective measures.

Ms Abbott: On a point of order, Mr Speaker. Is it in order for the Minister to impugn the integrity and professionalism of servants of the House?

Mr Speaker: Impugning integrity is neither desirable nor orderly. Perhaps I did not hear as clearly as the hon. Lady heard, but I shall listen intently. To my knowledge, nothing disorderly has occurred, but the hon. Lady is a long-standing—I will not say old, because she is not old—campaigner, and she has put her view forcefully on the record.

Lynne Featherstone: Thank you, Mr Speaker. No integrity was being impugned, but the Library itself notes that its research paper is not a detailed assessment based on individual tax and benefit data and, therefore, remains a rough and ready approximation.

Fiona Mactaggart (Slough) (Lab): Has the hon. Lady commissioned the kind of detailed assessment, based on tax and benefit information, that she is uniquely placed to do? If she has, will she tell the House what it concluded about the emergency Budget?

Lynne Featherstone: I shall certainly come to that in the course of my speech.

Any analysis of tax and welfare changes by gender must make assumptions about how resources are shared within the household, and the Library's research makes an extreme assumption that no income is shared. It is not robust, and it is based on outdated assumptions about family structures. On the issue of cuts to welfare hitting the poorest hardest, the Government have been clear that the burden of deficit reduction will have to be shared. The reforms that the Government are undertaking do protect the most vulnerable, including children and pensioners, and I shall go into detail about that in a moment.

John Hemming (Birmingham, Yardley) (LD): There is some confusion about whether the Budget is regressive or progressive. Does the Minister accept that if analysis

is done by the size of household budget—expenditure deciles—the Budget is progressive?

Lynne Featherstone: I thank my hon. Friend for that helpful intervention. Obviously, the Government case is that the Budget is progressive. We are increasing child tax credits for the poorest families, protecting them against poverty.

Toby Perkins: If the hon. Lady believes that the Library was biased, does she think that the IFS was also biased when it said that the Budget was clearly regressive?

Lynne Featherstone: I think that the Institute for Fiscal Studies was inaccurate in what it said. The Government have made it clear that the burden of deficit will have to be shared. At the Budget, the Government took unprecedented steps in publishing details. The Treasury welcomes the innovative approach of the IFS in its revised analysis of the Budget and is open to exploring new ways of assessing the potential impact of Budget measures. However, the IFS states that in order to include previously unmodelled reforms the report makes some strong assumptions that add uncertainty to the analysis.

Kate Green (Stretford and Urmston) (Lab): Can the Minister tell us which assumptions the IFS has made that are considered unreliable or not valid?

Lynne Featherstone: I will come to that point later if I can.

I wanted to address the point that the hon. Member for Hackney North and Stoke Newington made about the public sector. Although there are a majority of women in the public sector, the Government have made efforts to support the most vulnerable public sector workers—those earning less than £21,000 a year, who will be exempt from the freeze. That will affect about 1.7 million public sector workers whose salary falls below the threshold—mostly women—who will see a flat pay rise of £250 in both years of the freeze. The Government are aware of the statutory obligations when assessing options for spending reductions.

I shall move on to a more general response to the hon. Lady. Fairness is a key theme, along with freedom and responsibility, and underpins our new Government programme. We see it as even more important during difficult times than in good times, not just because we believe it is the fundamental right of every individual to have the opportunity to fulfil their potential, but because we realise that fairness is the key ingredient to getting the country back on its feet. We cannot afford to continue wasting the talents and skills of women, of ethnic minorities and of disabled people—of all those who have been held back for no reason other than their background. Without fairness we will never achieve economic recovery, let alone full economic growth.

Yes, we have to take some tough decisions to tackle the unprecedented deficit we inherited, but as my hon. Friend the Member for Wirral West (Esther McVey) said, we should not forget that the cuts are Labour's legacy. Labour doubled the national debt and left us with the biggest deficit in the G20. We have to clean up that situation to get the economy moving. Unless we address the deficit first and foremost, more women will be out of work and more women will suffer the consequences of the recession.

Sheila Gilmore (Edinburgh East) (Lab): Will the Minister give way?

Lynne Featherstone: No, not at the moment.

Fairness is at the heart of all our decisions, so that the most in need are protected. Lord knows, the coalition Government have made extreme efforts to address the issue of protecting the vulnerable. We have spent more than £5 billion to try to equalise. That is why we are refocusing Sure Start, which the hon. Lady mentioned. We are ring-fencing its budget for this year and introducing 4,000 health visitors dedicated to helping the most disadvantaged families. That is why, as was mentioned, we are determined to make work pay by raising the tax threshold, lifting 880,000 of the lowest paid workers out of tax. The majority of them are women, who will come out of income tax each year progressively until the threshold has risen to £10,000. That will aid the lowest paid workers.

That is why we are determined to reform welfare to get people into work, creating a new Work programme to give the unemployed tailored support. It is why, as I said, we are protecting the lowest-paid public sector workers. It is why we are increasing child tax credits for the poorest families, protecting against rises in child poverty. Child poverty rose in the past few years under the Labour Government. *[Interruption.]* No, the whole point of tax credits for the poorest families is to protect against rises in child poverty. It is precisely why we are getting to grips with the deficit—so that we do not have to keep spending more and more on debt interest, leaving less to deliver the crucial public services that women need and depend on.

We are absolutely committed to a fairer future for women and their families, but the Government are not just about supporting women and their families through the tough times. I forgot to mention the index linking of pensions. I remind the hon. Member for Hackney North and Stoke Newington that it was the Labour Government who made the derisory 75p pension offer, and who abolished the 10p tax band. I did not hear Labour Members cause uproar about either of those measures—well, the hon. Lady may have mentioned them, but in general terms, those were Labour policies that affected the poorest and most vulnerable, and they definitely hit women hardest.

We want to give people better prospects for a brighter future. We want to create the kind of cultural change that will enable people to escape the vicious cycle of inequality and poverty, so that they can improve the quality of their life and the lives of their family. The hon. Lady should know as well as I do—our constituencies are not dissimilar—that more than 2 million children live in poor housing, in crowded rooms and in squalid conditions. One in five children lives in poverty. I see for myself in my constituency the consequences of that vicious cycle, which people could never get away from because there were no pathways out. That is totally unacceptable. She and I both know about the pressures on housing in areas such as Hackney and Haringey.

We are putting bold new measures in place that will tear down the discriminatory and cultural barriers holding people back. The Prime Minister and the Deputy Prime

[Lynne Featherstone]

Minister have set up a childhood and families taskforce to tackle the barriers that prevent a successful family life and happy childhood. One of the main issues that the taskforce will consider is how we can help parents to balance their work and life. The hon. Lady raised the issue of single parents; nine out of 10 single parents who are out of work do not want to live off the state. They want a paid job. They want their independence. The problem is that there are not the flexible jobs out there that could fit with family life.

Many couples and individuals find it enormously difficult to strike the right balance between work and home. Traditional arrangements, in which mothers take the lion's share of leave, simply do not suit everyone's needs in the modern world. I totally refute the hon. Lady's suggestion that the coalition Government are in any way old-fashioned. Our commitment is to moving the agenda forward. That is why we have already committed to looking at a system of shared parental leave and at extending the right to request flexible working to all. The latter, in particular, will tackle the old-fashioned notion that women ought to perform the bulk of caring—

Fiona Mactaggart: The hon. Lady promised earlier that she would tell the House her assessment of the equality impact assessment.

Mr Speaker: Order. I think that that was an intervention.

Lynne Featherstone: We are making it easier for families to access high-quality, affordable child care. We are extending free nursery care provision to 15 hours a week for three and four-year-olds, and continue to fund early learning and child care for more than 20,000 of the most disadvantaged two-year-olds. All those measures make a difference.

We will promote equal pay by making pay secrecy clauses unenforceable, allowing women to shed light on discriminatory pay practices. We are working to end the glass ceiling, which blights so many women's careers, by promoting diversity on company boards. The Government will lead the way; that is why we have set ourselves the ambitious target that by the end of Parliament, at least half of all new appointees to the boards of public bodies will be women. We will tackle violence against women by introducing a coherent cross-Government strategy.

I apologise to the hon. Member for Slough (Fiona Mactaggart) for omitting to refer to equality impact assessing, which she thought important. I totally agree with Opposition Members: it is important. In fact, it is a legal requirement.

11.35 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Tuesday 7 September 2010

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

HEALTH

The Secretary of State was asked—

Cancer Drugs Fund

1. **Neil Carmichael** (Stroud) (Con): What steps he is taking to work with clinicians and patient groups in the design of the cancer drugs fund. [13147]

The Secretary of State for Health (Mr Andrew Lansley): We are committed to ensuring that the cancer drugs fund, which is to be introduced in April next year, will enable NHS patients to have greater access to new cancer drugs. We will soon consult the public and clinicians on our plans for this. From 1 October this year, as an interim measure, regional panels led by expert clinicians will respond to requests to fund cancer drugs that have not been funded locally.

Neil Carmichael: I am delighted with the answer from the Secretary of State. Some people are concerned about the possibility of a postcode lottery. Has the Department thought about that, and what actions does it plan to avoid the fund being subject to that?

Mr Lansley: I am grateful to my hon. Friend. Many people are concerned about their experience of a postcode lottery and access to new cancer drugs. Indeed, there is not just a postcode lottery but an international lottery, with patients in this country not getting access through the NHS to new cancer drugs while patients in other countries do get access to those drugs in the same clinical circumstances. That is why we will not only establish the cancer drugs fund next year, but, this year, we have found £50 million by making savings on management and marketing costs to enable new cancer drugs to be made available, at a regional level across England, where they are not funded locally.

Valerie Vaz (Walsall South) (Lab): Has the Secretary of State had any discussions with the National Institute for Health and Clinical Excellence about the fund, and is it cash-limited?

Mr Lansley: Yes, I did have discussions with NICE. The interim measure this year is indeed cash-limited—£50 million is available between October and the end of March.

Anne Marie Morris (Newton Abbot) (Con): Will the Secretary of State consider seriously the situation with regard to Avastin—a drug that particularly relates to bowel cancer? I have a constituent who is dying of that complaint, and their primary care trust has refused treatment under current NICE guidance. NICE is currently reviewing the situation. I would be grateful if the Secretary of State will say that he will support positive findings.

Mr Lansley: My colleagues and I are very well aware of the issues relating to Avastin, and I am grateful to my hon. Friend for her question. In terms of the interim measure that starts on 1 October, patients should go through all the normal procedures of seeking treatment through their hospital with the consent of their PCT. However, if that fails, a regional panel of expert clinicians will be able to look at their circumstances, with a special fund to enable patients to have access to cancer drugs which previously they would not have received.

Diana R. Johnson (Kingston upon Hull North) (Lab): Of course we support efforts to ensure that those with rarer cancers get access to the drugs that they need, but there are serious concerns about the cancer drugs fund. Professor Alan Maynard says that

"this will run a coach and horses through the work done by NICE".

The Lancet has called the fund a product of political opportunism and intellectual incoherence leading to the potential for a postcode lottery between strategic health authorities. Where does this leave NICE—an organisation that the Secretary of State said that he wants to strengthen?

Mr Lansley: It in no way undermines the role of NICE, which continues to play a very important role in giving advice to the NHS on the relative clinical effectiveness and cost-effectiveness of drugs. However, there are many circumstances at the moment whereby patients are not getting access to medicines. NICE, through its thresholds, is setting limitations on access to new cancer medicines. The hon. Lady should know, because the research was commissioned under her Government, that we need to look at international variations in drug use across health economies. Her Government did not publish that information; we have published it. It demonstrates that in this country we have relatively poor access to new cancer medicines, often before the point at which NICE has undertaken a full cost-effectiveness appraisal. We are going to ensure that patients in this country do not lose out as a consequence of those delays.

David Tredinnick (Bosworth) (Con): When considering the drugs fund, will the Secretary of State bear it in mind that many patients who have had chemotherapy find relief from using herbal medicine and acupuncture? When will he come forward with proposals to interface with next year's European directive so that herbal and acupuncture practitioners can conform to the law?

Mr Speaker: I know that the Secretary of State's response will relate to the cancer drugs fund.

Mr Lansley: The answer to my hon. Friend's question is soon.

Mr Speaker: We are grateful.

GP Commissioning

2. **Emma Reynolds** (Wolverhampton North East) (Lab): What account he took of arrangements for the provision of mental health services in developing his proposals for GP commissioning. [13148]

The Minister of State, Department of Health (Mr Paul Burstow): GPs play a crucial role in co-ordinating patient care and committing NHS resources through daily clinical decisions. Our new model of commissioning builds on the regular contact that GPs have with patients and their understanding of patients' wider health care needs. Our proposals will create an effective dialogue across all health and social care, with professionals putting in place the conditions for a more integrated and personalised approach to both physical and mental health.

Emma Reynolds: I thank the Minister for his answer. According to a recent survey by the leading mental health charity Rethink, 58% of GPs questioned said that they did not feel they had the level of expertise required to commission mental health services. Given that, what specific measures will the Government take to ensure that GPs have the skills and expertise needed to commission those highly specialised services?

Mr Burstow: I do not accept that that is the case, and from the consultation and engagement that the Department and I have already had with GPs and others, it is quite clear that there is huge enthusiasm for the reforms that we propose in the White Paper and a real desire both to see patients put at the heart of the NHS and for GPs to have real control over commissioning again, to ensure that services really meet patients' needs. When it comes to specialist commissioning, we have said in the White Paper that there will be opportunities for charities, other providers and local authorities to access support to harness those skills.

Mr Stewart Jackson (Peterborough) (Con): Parnwell, in the east of Peterborough, which has specific health needs, faces the loss of its current single general practitioner upon his retirement at the end of October. Can the Minister confirm that there is no necessity to remove single practitioner GP facilities, and that they can be incorporated into the new GP commissioning system as we go forward?

Mr Burstow: I am very happy to give that confirmation.

Barbara Keeley (Worsley and Eccles South) (Lab): It is of great concern that medical charities such as Rethink tell us that most GPs that they have surveyed feel that they lack the expertise needed to commission mental health services, and also that campaigning groups such as the Muscular Dystrophy Campaign feel that GPs have too little knowledge of muscle wasting conditions to commission services for their patients. Given Government plans to hand commissioning over to GPs, to abolish primary care trusts and, according to the White Paper, to reduce the role of the Department of Health in training, can the Minister say more to the House about how the considerable shortfall in expertise in commissioning services will be tackled over the next year or two?

Mr Burstow: It is perhaps worth noting that the Select Committee on Health, when there was a Labour majority on it before the election, back in March, identified significant weaknesses in PCT commissioning. In particular, it identified the lack of clinical input. Our White Paper puts that clinical input back into commissioning. When one considers that one in four of all consultations involve mental health problems and that 90% of all mental health care is delivered in primary care settings, one sees that putting the GP right at the centre is critical to better outcomes.

Dr John Pugh (Southport) (LD): On the subject of consultation, what consultations have taken place with the mental health charities, either prior or subsequent to the proposals?

Mr Burstow: In July, I and the Secretary of State had a successful and long engagement with all the mental health charities, and we are continuing to have a dialogue with them.

Health Service Redundancies

3. **Mr Jim Cunningham** (Coventry South) (Lab): What estimate he has made of the number of redundancies which would result from the abolition of strategic health authorities and primary care trusts? [13149]

The Secretary of State for Health (Mr Andrew Lansley): Our White Paper set out proposals for greater devolution to clinical leadership in the NHS and an enhanced role for local authorities in setting health strategies and improving public health. That means that we will abolish primary care trusts and strategic health authorities. General practice-led consortiums will make decisions about their requirements for management support, as will the new NHS commissioning board and local authorities. However, the requirement to cut management costs and protect the front line will mean reduced numbers of administrative posts. The extent of that will depend on local plans, and we will publish an impact assessment in due course.

Mr Cunningham: The coalition agreement stated that PCTs would be a strong voice for the public. How will the Government achieve that if they are going to abolish them?

Mr Lansley: We set out clearly in the White Paper how we will increase accountability to the public, including by establishing Health Watch. Before the election, the hon. Gentleman's party's Government demolished the patient representative voice in community health councils and patients' forums and created nothing effective in its place. Health Watch will be an effective voice for patients, and democratic accountability through local authorities will be far stronger because Health Watch will enable NHS services, public health services and social care to be joined together through co-ordination in a local authority's health and well-being partnership.

Mark Pawsey (Rugby) (Con): On the question of redundancies, the hon. Member for Coventry South (Mr Cunningham) and I represent adjacent constituencies covered by the same NHS trust, in which there is

currently a review of urgent care provision at the hospital of St Cross in my constituency. Candidates for the Labour leadership recently visited the area, and one spoke to the *Rugby Advertiser* about his concern that the review was an example of the

"economic masochism being unveiled across the country by the Tories who continue to show no compassion for the vulnerable."

Does the Secretary of State share my outrage at the choice of language by the likely Leader of the Opposition, and will he confirm that since this Government have committed themselves to real-terms increases in NHS funding, any reforms considered for Rugby will have nothing to do with the amount of funding for the local NHS?

Mr Lansley: I am grateful to my hon. Friend. We visited St Cross hospital together, so he knows the importance that we both attach to the service that is provided there for his constituents locally, but that happens in the context of the resources that we provide to enable the NHS to do its job. The Government have made an historic commitment to increase resources for the NHS in real terms each year, notwithstanding the appalling financial circumstances that we inherited from the Labour party.

The policy of the right hon. Member for Leigh (Andy Burnham) is to cut the NHS budget. Under those circumstances and under the policies of the Labour party, the number of redundancies in the NHS would proliferate.

Andy Burnham (Leigh) (Lab): The right hon. Gentleman is planning the biggest reorganisation in the history of the NHS, and yet he is unable to give basic information on it, such as how many people may lose their jobs, to my hon. Friend the Member for Coventry South (Mr Cunningham). Tens of thousands of people who work for primary care trusts and strategic health authorities are at risk of losing their jobs, so it is no wonder that after a just a few short weeks in his job, the Secretary of State has brought morale in the NHS to rock bottom.

In his letter to the NHS, the NHS chief executive says that £1.7 billion should be set aside to pay for the Secretary of State's reorganisation. Others have said that the cost of his reform could be up to £3 billion. At a time when the NHS needs every penny to maintain standards of patient care, it is scandalous for money to be diverted in that way. He may be ignoring the human cost, but can he tell the House today his latest estimate from the Department of how much his ideological reorganisation will cost?

Mr Lansley: I do wish the right hon. Gentleman would at least remember what he was responsible for before the election. He said that the NHS in this financial year should set aside 2%—£1.7 billion—for the cost of reorganisation. I have not changed that figure by one penny. However, I have taken his policies, which led to a proliferation in management costs—an 80% increase in the cost of management consultants in the NHS in two years and a doubling of management costs in PCTs and SHAs in eight years—and reversed them. We are cutting management costs in the NHS this year by more than £220 million and by up to £1 billion over four years. I make no apology for that, because if we are to protect front-line services and improve health outcomes, that is exactly what we need to do.

Andy Burnham *rose*—

Mr Speaker: Order. The remainder of this exchange—on both sides—needs to be shorter.

Andy Burnham: Let us first get some facts straight. I asked PCTs to set aside money to invest in patient care, changing patient pathways and better services. I did not say that a Labour Government would cut the NHS budget; I said that we would maintain it in real terms, not increase it, as the Secretary of State proposes. The effect of his increase will mean severe cuts to councils, which need to provide care support to older people to get people out of hospital.

However, the Secretary of State would not today tell us what his proposals would cost. Is it not the case that the plans were not in the Conservative or Liberal Democrat manifestos, and that there is no democratic mandate for the break-up of the NHS? Given that there is now a chorus of protest at his plans, will he step back, listen to patients and staff and consult on those reforms before taking them forward further?

Mr Lansley: I and my colleagues are engaging right across the country with patients, the public, local authorities, PCTs and general practitioners, and we are meeting enthusiasm for our proposals. Why? Because we are focusing on delivering improving outcomes for patients, and doing so in the context of an historic commitment by this coalition Government to increase resources for the NHS in real terms each year. The right hon. Gentleman's policy would be to cut the NHS budget.

Andy Burnham: The Secretary of State thinks he can behave any way he likes with the NHS, the most beloved institution in this country, but we will not let him—we will give him a fight every inch of the way. The latest example of his high-handed and arrogant behaviour came on the eve of a bank holiday weekend, when he casually let slip that NHS Direct would be scrapped. NHS Direct is a valued service that receives 27,000 calls every day and saves millions of pounds for the NHS, and that has more than 3,000 staff working for it. Will he today apologise for making that statement in such an outrageous manner? Will he listen to the 14,000 people who signed a petition to save NHS Direct, and going forward, stop acting in such a cavalier manner with our NHS?

Mr Speaker: Order. A question should be a question—it should not really be three questions.

Mr Lansley: Once again, the right hon. Gentleman should remember what he did before the election. A press release from his Department on 18 December 2009, when he was Secretary of State, said that he would establish a new 111 national number for non-emergency health care, and that this could become the single number to access non-emergency care services, including NHS Direct. I did not announce anything: I simply said that we were going to get on with that—he never did.

National Capitation Formula

4. **Mr Peter Bone** (Wellingborough) (Con): What plans he has for the future of the national capitation formula. [13150]

The Minister of State, Department of Health (Mr Simon Burns): Revenue allocations post 2010-11 will be set following the spending review. From 2013-14, the NHS Commissioning Board will allocate the majority of NHS resources to GP consortiums on the basis of seeking to secure equivalent access to NHS services relative to the burden of disease and disability. Public health resources will be separately allocated to reflect relative population health need and to seek to reduce health inequalities.

Mr Bone: Under the Labour Government, Northamptonshire was the worst funded primary care trust in the country. That was because the Government never met the national capitation formula in full, denying Wellingborough a hospital, for instance. Will the Minister's new proposals be fairer and encourage my constituents in the belief that they will get a better deal?

Mr Burns: I am grateful to my hon. Friend for that question, because he is right—under the Labour Government, Northamptonshire Teaching PCT was underfunded and is currently receiving 1.4% below its target allocation. That is why my right hon. Friend the Secretary of State and I are seeking, under the vision outlined in the White Paper, to free the NHS from day-to-day political interference so that the allocation of resources will be the responsibility of the NHS Commissioning Board which can seek to address the problems highlighted by my hon. Friend.

Cross-Border Health Services

5. **Mr David Hanson** (Delyn) (Lab): What recent discussions he has had with the Welsh Assembly Government on the effects of proposed changes to health services in England on patients living in Wales who use those services. [13151]

The Parliamentary Under-Secretary of State for Health (Anne Milton): Since the election, there have been informal, but no formal, discussions between my right hon. Friend the Secretary of State for Health and the Welsh Assembly Government. However, I understand that a meeting is planned for later this year. Clearly, there have been discussions between officials about the impact of the White Paper and the changes.

Mr Hanson: May I respectfully suggest that someone in the Government gets on and talks to the Welsh Assembly Government? A third of my constituents, who live in Wales, use the Countess of Chester hospital in England, and they use hospitals in Manchester, including the Christie and the Clatterbridge for cancer services, as well as the Robert Jones and Agnes Hunt hospital in Shropshire for orthopaedic services. They are as appalled as I am by the changes being proposed by the Conservatives to destroy the NHS. Get on and talk to someone please.

Anne Milton: May I thank the right hon. Gentleman for his question and assure him that officials have got on with it and do it constantly? It is important that we ensure that any changes are synchronised across the two areas, and I know that he will continue to raise cross-border issues. I can reassure him that we have already got on with it and he need not remind us to do so.

David T. C. Davies (Monmouth) (Con): Given that patients in Wales, served by the Welsh Assembly, have to wait far longer for routine operations and ambulance responses, is it not the case that the only problem that the Department will face is that the people of Wales will be galvanised by the excellent policies of this Government into suggesting that the Welsh Assembly Government ditch their failed health policies and copy those of the coalition Government?

Anne Milton: I thank my hon. Friend for that wonderful advertisement for the changes that we are bringing in. I agree with him and I am sure that the people of Wales will see the changes that we are bringing in and contact the right hon. Member for Delyn (Mr Hanson) to urge him to ensure that the changes are also introduced in Wales.

Hywel Williams (Arfon) (PC): Fourteen thousand people from Wales are registered with GPs in England, and 19,000 people from England are registered with GPs in Wales. Will the Under-Secretary ensure that the changes that she brings in do not lead to any dangers to the services provided for both sets of people travelling across the border, and that adequate financial recompense is made as well?

Anne Milton: It is extremely important that people receive similar and safe passage and continuity of care across the borders, and we will continue to have conversations, both at ministerial level and between officials, to ensure that any hitches that arise are smoothed out as soon as possible.

GP Consortiums

7. **Caroline Flint** (Don Valley) (Lab): How many GPs in Doncaster have expressed an interest in establishing GP consortiums. [13153]

The Minister of State, Department of Health (Mr Simon Burns): The Yorkshire and Humber strategic health authority has informed me that two existing practice-based commissioning consortiums are currently working on behalf of all Doncaster's 45 GP practices. GPs in Doncaster are enthusiastic about the agenda and, in partnership with Doncaster primary care trust, have established a transition team meeting to oversee the process.

Caroline Flint: Yes, there is something called the "Doncaster commissioning consortium" in Doncaster, which provides clinical leadership to Doncaster PCT when it comes to commissioning. From what I understand from the Government's proposals, as a result of these changes the Doncaster commissioning consortium, made up of the majority of GPs, will have to employ people, either from the PCT or other sectors, to do the budget and management of commissioning. Is this restructuring not just a rebranding to make the Government look as if they are being innovative in health care when in fact they are pouring money down the drain and conducting a restructuring that we just do not need?

Mr Burns: May I recommend that the right hon. Lady, who from her past ministerial career is familiar with health issues, study not only the White Paper that we have published, but the documents, particularly on

commissioning, that flowed from that, because I am afraid that her interpretation of the situation is wrong? This is a great change from the PCT system, because it will basically ensure that commissioning will no longer be remote but be carried out by GPs at the forefront of dealing with patients' needs and care, who know best how to ensure that patients get the finest and best health care possible.

GP Commissioning

8. **Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): What plans he has to assist GP commissioning in rural areas. [13154]

The Parliamentary Under-Secretary of State for Health (Anne Milton): Our proposals in the White Paper will enable general practices to structure commissioning to reflect the character of the area they serve. Practices in rural areas, such as Cumbria and Cambridgeshire for instance, are exploring commissioning models. To support GP consortiums, we will create a statutory NHS commissioning board.

Dr Poulter: The Minister will be aware that many women make the choice to have a home birth and delivery, but unfortunately, in many rural areas, maternity services have historically been under-resourced. What steps does the Minister envisage better to support home delivery in rural areas, and to support GPs in their commissioning of these services in the future?

Anne Milton: I congratulate my hon. Friend on taking up the chairmanship of the all-party group on maternity. I know that his work with it will be very valuable, particularly in the light of his previous experience in the health service. Contrary to what Labour Members believe, this is an important opportunity to put general practices—in all their shapes and forms within all the professions—at the very heart of shaping services. As he said, home births and choice in maternity services are crucial for women.

Ann Coffey (Stockport) (Lab): I have concerns about the effect of the Secretary of State's proposals for GP commissioning on services in rural areas and urban areas such as mine. Greater Manchester PCT provided strategic leadership in the recent reconfiguration of children's services, which was very contentious. Can the Minister clarify how that strategic leadership will be provided in the future reconfiguration of cancer, maternity and ambulance services in Greater Manchester, as GP commissioning will be focused on local health needs and national commissioning on national specialities?

Anne Milton: The hon. Lady made the point that urban and rural areas have very different needs. What is vital are the people on the front line, making decisions and offering the leadership and vision to shape those services. I do not think that she will find many people lining up to save PCTs, whose commissioning has not always been as successful as she would like to believe.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I should like to suggest to the Minister that it might help GPs who are commissioning in rural areas if the formula for capitation were to include the information that their patients live in sparsely populated areas, as well as information about their age, especially in constituencies such as mine and that of my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter).

Anne Milton: My hon. Friend is right to raise the issue of the distances covered in rural areas. I believe that only ambulance trusts currently have the opportunity to reflect that. This is why it is so important that local commissioners will shape the services for their patients. It is they, not the pen-pushers in the PCT, who know best what is right for their patients.

Diabetes

9. **Keith Vaz** (Leicester East) (Lab): What steps his Department is taking to inform young people about diabetes prevention. [13155]

The Minister of State, Department of Health (Mr Paul Burstow): I thank the right hon. Gentleman for his question, and for his tireless campaigning to raise awareness of diabetes. We know that being physically active and maintaining a healthy weight can reduce an individual's risk of developing type 2 diabetes and cardiovascular disease. Our approach is to support families and young people to eat healthily and be physically active.

Keith Vaz: I thank the Minister for his comments. I declare an interest as one who has type 2 diabetes. As he knows, we spend £1 million an hour treating diabetes-related illnesses, and more and more people are now being diagnosed at a much younger age. What steps are the Government taking to alert parents and young people to the perils of diabetes?

Mr Burstow: The right hon. Gentleman is absolutely right to draw our attention to the rising rate of diabetes in our country. When it comes to diabetes in children, we have to bear in mind that the diagnosis for type 1 diabetes—which affects about 23,000 children in this country—is a genetically predisposed condition that cannot easily be prevented. We need to do more about type 2 diabetes, however, by tackling the obesity problems in this country. We need to deliver physical and healthy eating programmes through schools and other partners, and those things are much better done in the context of the local authorities, which will now have a new responsibility for public health that the last Government never gave them.

Mr Adrian Sanders (Torbay) (LD): Information and education are also important for people with the condition of diabetes, to help them to get the maximum benefit from their prescribed course of treatment. May I urge the Minister to make an assessment of the improvements to health that education and information can contribute?

Mr Burstow: My hon. Friend makes a good point about the value of information in empowering patients, and about the value of education. That is why we want to do more with NHS information prescriptions, which is an important tool, and to ensure that the care planning process that delivers tailored care plans also includes structured education. There is no doubt that providing education really does make a difference to the outcomes for people with diabetes.

Jim Shannon (Strangford) (DUP): I thank the Minister for his response to the question. I also wish to declare an interest as a type 2 diabetic. The junk food culture of the moment is a serious problem, so what steps is the Minister taking to address that in his effort to reduce the number of people being diagnosed as diabetic over the next year?

Mr Burstow: The best way of responding to the hon. Gentleman's very appropriate question is to say that we are taking a four-pronged approach to diabetes. First, we need to tackle the causes of the condition through a renewed impetus on public health. We shall announce more of our plans in our White Paper later this autumn. Secondly, we need earlier identification and diagnosis so that we can help people to manage their condition at an earlier stage so that it does not progress. Thirdly, we need effective management and self-directed care. Finally, we need world-class research so that we can better understand the condition and deliver better treatments.

Accident and Emergency Departments

10. **Mr Barry Sheerman** (Huddersfield) (Lab/Co-op): What steps he is taking to ensure the adequacy of resources allocated to hospital accident and emergency departments. [13156]

The Minister of State, Department of Health (Mr Simon Burns): It is the responsibility of local NHS commissioners to plan and arrange adequate A and E health services according to the needs of their local populations. Attendances at hospital A and E departments are reimbursed through mandatory national tariffs.

Mr Sheerman: Is the Minister aware that my constituents in Huddersfield are very pleased with the improvements to their A and E services over recent years? They put that down to fewer people going to A and E because they have NHS Direct to take the pressure off A and E, and to the guarantee of being seen within four hours, and having the right to complain pretty vigorously—as we do in Huddersfield—if that does not happen. Are not the measures that the Government are introducing simply going to make A and E impossible again?

Mr Burns: May I reassure the hon. Gentleman's constituents that they will be just as pleased with the responses that they receive from a 111 line, where professional advice and help will be given to people who need to contact it about their health needs? May I also reassure his constituents on the question of four-hour targets? The target that was introduced caused distortions; it was a political target. We are relying on clinical decisions and activity to ensure that people are seen as quickly and relevantly as possible.

Mr Stephen Dorrell (Charnwood) (Con): Does my hon. Friend agree that in addition to the proper funding of A and E departments, it is also important to take steps to manage the demand on those departments? In particular in urban areas, that means that commissioners should accept the responsibility to look for improvements in the delivery of primary care so that patients have more easy access to less urgent care in the primary care context, thus reducing the demand on A and E departments.

Mr Burns: My right hon. Friend is absolutely right. It is, of course, not only a question of correctly identifying those people who should use A and E; the other assistance given through the health service is also important. We need a first-class and relevant out-of-hours service as well.

Facet Joint Injections

11. **Hugh Bayley** (York Central) (Lab): What recent assessment his Department has made of the clinical effectiveness of facet joint injections; and if he will make a statement. [13157]

The Parliamentary Under-Secretary of State for Health (Anne Milton): Recommendations on facet joint injections were made by the National Institute for Health and Clinical Excellence in its 2009 clinical guidelines on low back pain. NICE did not find sufficient research evidence that strongly supported the effectiveness of facet joint injections and recommended that more research should be done. I understand that the National Institute for Health Research is looking at whether it will commission further research.

Hugh Bayley: Access to these injections is restricted in North Yorkshire and York PCT, although it is widely available on the NHS in other areas. The consultant in charge of York's pain clinic believes that the PCT is not following the most recent NICE guidelines. What are the Government doing to reduce this kind of postcode lottery? Will the Minister contact the PCT and arrange for it to meet me and the consultant to discuss how these guidelines ought to be applied in North Yorkshire and York?

Anne Milton: I thank the hon. Gentleman for his remarks and point out that it is precisely because of the situation that he describes that we are bringing in some of our reforms. It is important that decisions about treatment and care are made by clinicians—GPs and a large number of other people, including some voluntary and charitable organisations—and that they are clinically led, evidence-based and also include patient choice.

NICE (Cost-effective Drugs)

12. **Mr Charles Kennedy** (Ross, Skye and Lochaber) (LD): What recent discussions he has had on the effectiveness of the National Institute for Health and Clinical Excellence's procedures to review the cost-effectiveness of drugs; and if he will make a statement. [13158]

The Minister of State, Department of Health (Mr Simon Burns): Ministers discuss NICE's work from time to time as part of routine business. We attach great importance to the work NICE does in giving advice to commissioners and clinicians on the relative clinical and cost-effectiveness of treatments. The right hon. Gentleman will know that we also propose reforms that will better reflect the value of new drugs in the relevant prices paid by the NHS.

Mr Kennedy: In thanking the Minister for that helpful reply, I note that my question rather overlaps with the pertinent question just asked by the hon. Member for York Central (Hugh Bayley). Can the Minister give us

any indication of where the Government, at this stage of their Administration, are on the proposed cancer drugs fund, particularly with reference to the drugs used for kidney cancer treatment, which NICE is still evaluating? Can these drugs be issued under the interim cancer drugs fund, not least given the terrible delays some patients face with the local PCTs, when by the time things are resolved it is sometimes, sadly, too late?

Mr Burns: May I reassure the right hon. Gentleman that we will shortly consult on the cancer drugs fund. On the question of Afinitor, in which I know he has a particular interest, I appreciate that there has been some concern expressed by families and patients about the issuing of the interim guidance. I would like to emphasise that the guidance is only interim, that the appraisal is ongoing and that we await the final guidance from NICE. I hope that he will be reassured that, since the publication of the draft guidance, the manufacturer of Afinitor has proposed a revised patient access scheme for the drug, which is now being considered as part of the NICE appraisal. In the light of that, we will have to await the announcement of the final decision.

Cancer Survival Measurement

13. **Mr John Baron** (Basildon and Billericay) (Con): What recent representations he has received on the proposed one-year cancer survival measure. [13159]

The Minister of State, Department of Health (Mr Paul Burstow): I have received many helpful representations on the proposed one-year survival measure, including his own when I met him along with a number of leading cancer charities in July. We have launched a full public consultation to shape the first ever outcomes framework for the NHS, and I urge all interested parties to contribute. The consultation document has put forward a range of possible outcome measures, including a one-year cancer survival rate that could be included in the framework. A full response to the consultation will be provided when it closes on 11 October.

Mr Baron: The one-year cancer survival measure is welcome, because it will encourage earlier diagnosis. As the Minister will know, however, under-treatment of the elderly in the NHS remains a pressing problem, which was highlighted in a recent report on cancer inequalities by the all-party parliamentary group on cancer. Can he assure us that the over-75s will not be excluded from the one-year or the five-year cancer survival measures once they are constructed?

Mr Burstow: The hon. Gentleman makes an important point. It is essential for us to ensure that the NHS delivers treatments that are both based on evidence and age-appropriate, which means ensuring that older people receive treatments that will enable them to survive cancers. His representations will need to be taken fully into account as we consider the results of the consultation on the outcomes framework.

Chris Leslie (Nottingham East) (Lab/Co-op): Has the Minister seen today's report from Cancer Research UK? It suggests that many primary care trusts and hospitals focus on drug therapy, and that radiotherapy—particularly targeted and image-guided radiotherapy—is often not given enough priority. Can the Minister assure us that, when considering cancer drugs expenditure, he will give equal priority to radiotherapy treatment?

Mr Burstow: The hon. Gentleman's question is also relevant to surgery, but Cancer Research UK was right to produce this snapshot of the lamentable record of the last Government on access to radiotherapy. Spending on the NHS has now reached European levels, but we have not seen an equivalent achievement in terms of outcomes. That is why the present Government have been consulting on outcomes, and why we have asked Mike Richards, clinical director for cancer services, to examine these very issues in his review of the cancer reform strategy.

Hospital Facility Transfers

14. **Gordon Birtwistle** (Burnley) (LD): What steps his Department takes to ensure that local NHS trusts observe its guidelines on reconfigurations involving transfer of facilities from one hospital to another. [13160]

The Secretary of State for Health (Mr Andrew Lansley): Commissioners should ensure that current and future reconfigurations demonstrate evidence of compliance with the four criteria that I announced in May. That should be a rigorous process, involving GPs and other local clinicians, local authorities, patients and the public, as set out in guidance. For current schemes, the local assessment should be concluded by 31 October this year.

Gordon Birtwistle: Is my right hon. Friend aware that East Lancashire Hospitals NHS Trust is breaching his guidelines by transferring a children's ward from Burnley to Blackburn without the approval of local GPs and the local council or the support of the local population? Will he please intervene?

Mr Lansley: My hon. Friend and I have had a conversation in Burnley about emergency and children's services at Burnley hospital. I was not aware of the position that he has just described, but I will ensure that any reconfigurations that have taken place in the past and are still being reviewed, or that are currently being proposed or acted on, comply with the criteria that I set out in May, and I will write to him.

Mental Illness Care

15. **Anna Soubry** (Broxtowe) (Con): What mechanisms are in place to assess the effectiveness of assertive outreach teams in providing support for people with severe mental illness; and if he will make a statement. [13161]

The Minister of State, Department of Health (Mr Paul Burstow): The Department of Health has issued guidance on the key components of an effective assertive outreach team. It is for each local trust to put in place robust quality assurance arrangements to ensure that it delivers the high-quality and effective service that the public expect. That is further underpinned by the work of the Care Quality Commission.

Anna Soubry: I am grateful to the Minister for his response. One of my constituents, William Barnard, who was profoundly mentally ill, went on to kill his grandfather as a result of the poor system that was operating in relation to his care. What progress has been made in ensuring that other teams do not suffer from the same failings in their systems?

Mr Burstow: The hon. Lady and I debated this issue in the Chamber back in July. One of the most concerning aspects of the case of William Barnard was a singular failure to listen to the concerns expressed by family members and carers on the part of those who could have taken the necessary action to improve matters. I continue to take a close interest in the investigations being undertaken by the local NHS. We want to ensure that when lessons can be learned nationally, they are reflected in the Government's forthcoming mental health policies.

Miss Anne Begg (Aberdeen South) (Lab): Have the Minister or others in his Department had any discussions with the Department for Work and Pensions, because in the coming months a large number of people with mental health problems will be called in for interview to be reassessed from incapacity benefit on to employment and support allowance? This is already causing a great deal of anxiety among my constituents because Aberdeen is one of the trial areas. I wonder whether any of the mental health professionals have been informed and are ready for the influx that might result from that change in policy.

Mr Burstow: There are several parts to that question. First, we have already made commitments to invest in talking therapies, which are improving hugely the quality of lives of many people with mental health conditions. Secondly, I and departmental officials have had meetings with colleagues in the DWP, and I will have further meetings shortly, particularly to discuss the DWP input into a cross-Government mental health strategy.

Death Certificates

16. **Andrea Leadsom** (South Northamptonshire) (Con): What recent representations he has received on requirements for doctors to record the primary cause of death on a death certificate. [13162]

The Parliamentary Under-Secretary of State for Health (Anne Milton): I am not aware of any such representations. Doctors are required under the Births and Deaths Registration Act 1953 to complete the medical certificate of cause of death "to the best" of their "knowledge and belief". They receive information on this as part of their medical training. The Office for National Statistics produces reference material from time to time, including a video and training pack to assist doctors in completing the medical certificate on cause of death.

Andrea Leadsom: I thank the Minister for that answer. We have in my constituency of South Northamptonshire the Progressive Supranuclear Palsy Association headquarters. That is a neuro-degenerative disease with some similarities to motor neurone disease, although the big difference is that I doubt that many Members will have heard of it before now. Many people suffer from it, however, yet it is often not recorded on the death certificate. It is always fatal, giving a life expectancy of about two years. Might the Minister be prepared to review the situation and give some consideration to requiring doctors to put the primary cause of death on the death certificate so that we can properly assess the magnitude of this awful degenerative disease?

Anne Milton: I thank my hon. Friend for raising this issue. As a result of inquiries from the Progressive Supranuclear Palsy Association and others, the ONS is carrying out a special exercise to attempt to identify the true number of deaths involving PSP. However, it is extremely difficult to diagnose. I should just point out that medical examiners, when appointed, will be confirming the cause of death in all cases not investigated by the coroner. I think that that will make a difference to the information recorded on death certificates.

Topical Questions

T1. [13172] **Caroline Flint** (Don Valley) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Health (Mr Andrew Lansley): My responsibility is to lead the national health service in delivering improved heath outcomes in England, to lead a public health service that improves the health of the nation and reduces health inequalities, and to lead the reform of adult social care that supports and protects vulnerable people.

Caroline Flint: In recent years more research and evidence has demonstrated that the trans fats present in our food are a major heath hazard. That is how the National Institute for Health and Clinical Excellence has described them, and the World Health Organisation has described them as toxic, but many people do not even know they are in our foods because they are not listed on the front of our food packaging. Is the Secretary of State prepared to consider banning trans fats in our food, as is happening in other countries around the world, or at the very least consider making sure they are labelled on the products we buy so that we can make an informed choice?

Mr Lansley: The right hon. Lady will know that we have made progress in this country in reducing the amount of trans fats in foods. My personal view is that we should seek to eliminate them, rather than have them in foods and have them labelled. It is important that we have front-of-pack food labelling that identifies the extent to which there are saturated fats, and I am looking forward to making greater progress in getting a more consistent front-of-pack food labelling than we have achieved in the past.

T2. [13173] **Tony Baldry** (Banbury) (Con): GPs and GP practice managers in my constituency are keen to get on with GP commissioning because they see that that can lead to better outcomes for local people but, unsurprisingly, they have a number of detailed questions as to how GP commissioning will work. Who will best answer those questions, and when will that happen?

Mr Lansley: My ministerial colleagues, and many other leadership colleagues across the NHS, are engaged in meeting staff and potential commissioners, and existing commissioners and patients and public across the country. I had a meeting of that kind in Hampshire just last week, which illustrated precisely the point my hon. Friend makes: people came from general practices across Hampshire, and they fully endorse the principle of this change and they just want to get on with it. They did not want to wait for the full transition, and they now wanted to go through some of the detailed questions. We issued a consultation document following the White Paper, which was focused on general practice commissioning. I urge my hon. Friend's constituents and others to respond to that before 11 October, which will enable us then to proceed to set out the full details of how general practice-led commissioning will work.

Mary Creagh (Wakefield) (Lab): The Secretary of State had a difficult summer, with his plans to scrap free milk for the under-fives being attacked across the spectrum and eventually vetoed by the Prime Minister, but he met the new chair of Unilever, Amanda Sourry, on 21 July. On the following day, Ms Sourry wrote him a letter, some of which is blanked out. She wrote that

"with a clear signal from you, I would be happy to engage with retailers and manufacturers to find resolution on front-of-pack labelling".

The Department has tried to black out that sentence, perhaps because it shows an unhealthy closeness between the Secretary of State and Unilever. Does the Secretary of State have an opinion on how food should be labelled, and, if so, will he tell the House what it is? Will he tell the House what other areas of food policy he plans to subcontract out to multinational food giants?

Mr Lansley: I hardly know where to begin due to the absurdity of some of the assertions in that question. How does the hon. Lady imagine that we are going to make progress on front-of-pack food labelling, on which her Government never made sufficient progress—there is no consistency on front-of-pack food labelling? This Government and this Parliament have no unilateral power to mandate what front-of-pack food labelling should look like and we have to achieve consensus in Europe and consensus in this country. We must do that with the manufacturers, the retailers, the charities and the health experts. That is precisely why our public health commission, when we were in opposition, brought together all those people around a table for the first time. I intend to create a realistic and effective partnership to deliver improving public health in this country, where her Government failed.

T5. [13177] **Mr Philip Hollobone** (Kettering) (Con): Kettering general is a wonderful hospital but recently its paperwork has got out of control. Some 30 occasional chaplaincy visitors from the local Catholic Church, many of whom are retired, have recently had to complete Criminal Records Bureau checks, employer references and an intrusive personal health questionnaire. Does the Minister agree that if we are to create the big society that the Prime Minister would like us to create, such bureaucracy must be minimised?

The Minister of State, Department of Health (Mr Simon Burns): I have considerable sympathy with the problems that my hon. Friend's constituents had. Although they are necessary, I would like to think that vital checks could happen through a process that is easy to manage for those who have to go through them. My view is that hospitals must ensure that checks on volunteers are proportionate and do not discourage good and well-meaning people from becoming involved in local care. I hope that my hon. Friend is reassured by the fact that my right hon. Friend the Home Secretary announced on 15 June that the CRB regime would be scaled back to common-sense levels. The Government will announce the terms of reference of the review shortly.

T3. [13175] **Keith Vaz** (Leicester East) (Lab): Some 1,800 patients in the Belgrave area of my constituency have been left without their local surgery because it has closed. Will the Minister assure me that despite the scrapping of the primary care trust, the new Belgrave health centre will be built? If he cannot tell me now, it would be very helpful if he could write to me.

Mr Lansley: I am grateful to the right hon. Gentleman, but in the absence of notice of that question, I fear that I shall have to tell him that I shall certainly look into that and write to him.

T6. [13178] **Miss Anne McIntosh** (Thirsk and Malton) (Con): The Minister of State wrote to me on 25 August to say that all future service changes must be led by clinicians and patients. How can it be that, although all the clinicians and patients oppose the downgrading and possible closure of the Ryedale ward of Malton hospital, that can proceed? Will he please use his good offices to block any such change?

Mr Burns: I am very grateful to my hon. Friend and would like to tell her that I have been informed by NHS Yorkshire and the Humber that NHS North Yorkshire and York has proposed incrementally to alter the balance between resources in the community and the in-patient areas by slowly reducing the number of beds open for admission and slowly transferring staff into the community. We understand that that forms part of the PCT's ongoing strategic plan for Malton. However, given my hon. Friend's concerns, I would be more than happy to meet her to discuss the issue further.

T4. [13176] **Gloria De Piero** (Ashfield) (Lab): When the Government say that the NHS budget will be ring-fenced, people might assume that whatever cash a hospital gets in this financial year will be matched next financial year. So could the Health Secretary explain why the King's Mill hospital in my constituency has been told to expect its budget to treat patients next year to fall by 8.2% or £14.9 million?

Mr Lansley: The answer to the hon. Lady's question is probably because that is what the Labour Government's spending intentions implied. All over the country primary care trusts are telling their hospitals that they can expect a zero increase in tariff and a reduction in activity, and hence a reduction in budget. I am making it clear that we are intending an historic commitment by this coalition Government to increase the resources for the NHS in real terms. That does not mean an increase in real terms for every part of the NHS all the time. It does mean, however, that resources will be realised through efficiency savings and that increase to enable us to improve the service we provide through the NHS and to meet rising demand.

T8. [13180] **Mr John Baron** (Basildon and Billericay) (Con): Is any flexibility available to allow the interim cancer drug fund to review earlier and more speedily adverse National Institute for Health and Clinical Excellence decisions—because in certain cases, as we know with Avastin for late-stage bowel cancer, a few months, or even a few weeks, can make a big difference to patients.

Mr Lansley: My hon. Friend will be aware that we have proceeded as rapidly as we possibly can in finding savings this year, so that from 1 October the regional panels of expert clinicians can look at individual cases. It is not a matter of their reviewing NICE decisions; it is a matter of their looking at individual cases that cannot be funded under existing guidance or local decisions, but being able to apply clinical criteria to individual cases using an additional fund.

T7. [13179] **Emma Reynolds** (Wolverhampton North East) (Lab): Wolverhampton is the 28th most deprived local authority area in the country, resulting in major health inequalities. Can the Secretary of State reassure me that in future funding allocations, levels of deprivation will be taken into account?

Mr Lansley: Yes and more than that. I could make it clear that in the future, we will be moving—not for next year necessarily, but in years beyond, as we will make clear in the public health White Paper—to an explicit allocation of public health resources taking account of relative health outcomes and health inequalities, and those funds will be used to deliver improving public health. At the moment the formula to the NHS may take account of relative deprivation as measured by, for example, access to income support, but the money does not get spent on reducing those health inequalities and on an effective public health strategy. That is why we shall be very clear about separate, ring-fenced, public health resources used, together with local authorities, to deliver an effective public health strategy locally.

Andrew Selous (South West Bedfordshire) (Con): Leighton Buzzard is one of the larger towns in the country not to have a community hospital. What reassurance can my hon. Friend give me that the wishes of local GPs will be respected in deciding what services the proposed community hospital will have?

Mr Burns: I think I am in the fortunate position of being able to give my hon. Friend considerable reassurance. NHS Bedfordshire has the full support of local GPs, and they continue to develop a business case for the primary health care facility in Leighton Buzzard. They will go to full public consultation on the proposals. The centre is planned to open in 2012 and would be funded by NHS Bedfordshire.

John Mann (Bassetlaw) (Lab): Some 36,000 of my constituents, who voted by ballot, and every single GP in both local authorities, all believe that Bassetlaw accident and emergency department should remain a full 24-hour service. Can the Secretary of State conceive of any reason why that might not be the case during this Parliament?

Mr Lansley: The hon. Gentleman will be reassured to recognise that one of the commitments of the coalition Government in our programme was to stop the forced closure of accident and emergency departments. I am sure he will take comfort from the commitment of this Government, and from our commitment to increasing resources for the NHS in real terms each year, to enable the services that his constituents and others' require to continue to be provided and improved.

Jo Swinson (East Dunbartonshire) (LD): Information in a parliamentary answer given on 19 July showed that the cost to the NHS of emergency admissions in cases of anaphylaxis has risen by 45% in four years. Will the Minister look at how allergy support services could be enhanced in primary care to reverse the rising trend in emergency cases and in doing so save money and, crucially, lives?

Mr Lansley: Yes I will gladly do that. I have had the privilege and pleasure of visiting the specialist allergy service at my local hospital, Addenbrooke's, one of a small number across the country. I think it was the House of Lords Select Committee that produced an excellent report on allergy services, and I hope that this is one of those areas where clinical relationships between GPs and hospital specialists will enable both community and specialist services to be improved to meet this need.

Mr Kevin Barron (Rother Valley) (Lab): Given that 50% of health inequalities are created by tobacco use, will the Secretary of State give us an assurance that the targeted smoking cessation programmes in the national health service will survive?

Mr Lansley: We are going to improve the effectiveness of our public health services. As the right hon. Gentleman will know from past debates, I entirely recognise the extreme importance of reducing tobacco use. After the introduction of legislation on smoking in public places, there was a reduction in prevalence, but at the moment there is no continuing further reduction, especially among manual workers and young people; we need to achieve that reduction, and we will continue to look at measures to do that. We will say more about the issue in our public health White Paper.

Mr Steve Brine (Winchester) (Con): Many of my constituents, and indeed many practitioners, have grave concerns about the pending closure of Winchester ambulance station. Will the Minister assure the House that no changes to static ambulance bases will take place until local consortiums, when they are formed, are happy that a suitable alternative is in place?

Mr Burns: I am extremely pleased to be able to give my hon. Friend some reassurance. South Central strategic health authority has informed me that the service to the people of Winchester will not be affected, as there will be static provision for Winchester; ambulances will be deployed via a control centre in Otterbourne, 2 miles from Winchester. Those changes are set to take place in December, and the existing station will not be closed until there is new provision.

Mr David Lammy (Tottenham) (Lab): A decision has been taken in the past few days, without any consultation at all, to transfer the out-of-hours service for 950,000 north Londoners from the GP-run co-operative to a private provider. Will the Secretary of State intervene to ensure that local people and GPs make that determination?

Mr Lansley: I am aware of the matter. The right hon. Gentleman will be perfectly well aware of my view: we want to involve general practitioners much more in commissioning out-of-hours services. I will undertake to look at what is proposed by the primary care trusts in north London and see whether it is consistent with the development that we are looking for in the White Paper.

Mrs Helen Grant (Maidstone and The Weald) (Con): If local GPs fail to support reconfiguration plans en masse—if, say, 97% fail to do so—what would be the Secretary of State's response?

Mr Lansley: As I said in response to a previous question, one of the four criteria that I set out on 21 May was that reconfigurations must have the support of local general practitioners as the future commissioners of services. To that extent, a reconfiguration that did not have the support of local general practices would not be able to meet that test.

Ian Paisley (North Antrim) (DUP): What discussions, if any, has the Secretary of State had with the Minister for Health, Social Services and Public Safety in Northern Ireland about making Avastin and other specialist cancer drugs available on the same terms and conditions under which they are available to people who suffer from cancer here on the mainland? Will those drugs be made available in Northern Ireland under the same terms and conditions?

Mr Lansley: I have had very helpful and productive conversations with the Health Minister in Northern Ireland, but I have to say that they did not include that particular subject. Of course, decisions on the availability of medicines in Northern Ireland are a devolved matter, but I should be perfectly happy to take account of those issues when we next talk.

Dr Sarah Wollaston (Totnes) (Con): One year on from the implementation of the European working time directive, there is evidence that patient care is suffering. Handovers have been inadequate in some cases, and junior doctors' training time has been reduced. Will my right hon. Friend reassure me that he will take action to allow some acute specialities to opt out of the European working time directive?

Mr Lansley: Yes. I am very clear that, together with my right hon. Friend the Secretary of State for Business, Innovation and Skills, we need to take the European working time directive back to the European Union. We need to discuss it again. We need to go to the European Union with the intention of maintaining the opt-out and of giving ourselves, not least in the health context, the flexibility that we lack, so that junior doctors, in particular, have the capacity to undertake the training that they need. It is not that we want to go back to the past, when there were excessive hours—100-hour weeks and so on—but we want junior doctors to be confident that they will get the training that they require in the period allocated for training.

Audit Commission

3.34 pm

Mr Clive Betts (Sheffield South East) (Lab) *(Urgent Question)*: To ask the Secretary of State for Communities and Local Government if he will make a statement on his intention to abolish the Audit Commission.

The Secretary of State for Communities and Local Government (Mr Eric Pickles): On 13 August, I announced plans to disband the Audit Commission and to refocus audit on helping local people to hold councils and local public bodies to account for local spending decisions. Those changes will pass power down to people, replace bureaucratic accountability with democratic accountability and save the taxpayer £50 million a year.

Earlier that day, I spoke to the commission's chairman, Michael O'Higgins, informing him of my decision. I also informed him that I intended to invite Lord Adebowale of Thornes and Bharat Shah to serve a second term as members of the commission. As we have announced today, I am pleased to confirm that they have agreed to continue to serve, with Bharat Shah as deputy chairman. As I have also announced today, further commissioners will be recruited to the board through open competition to bring in new private sector expertise, as the commission focuses on the changes that I have announced.

These changes mean that the commission's responsibilities for overseeing and delivering local audits stop. Its research activities will end. Its in-house audit practice will be moved to the private sector, and we will consider a range of options for doing that. Councils will be free to appoint their own independent external auditors from a more competitive and open market. There will be new audit arrangements for local health bodies. All local audits will be regulated within a statutory framework, overseen by the National Audit Office and the profession.

With the ending of the inspection regime of comprehensive area assessment, many of the Audit Commission's functions have disappeared. While its corporate centre may have lost its way, the well-respected in-house audit practice has consistently done a good job, and it is to protect the future and to increase competition in auditing that we seek to put it into the private sector. The Government are happy to see a mutual set up by existing staff. My intention is that those arrangements will be in place from 2012-13, which involves introducing legislation this Session.

We will now work closely with local government, the health sector, the commission, the accounting profession and other partners to complete the detailed design of the new arrangements, and to take forward, in the most effective way, the transfer of the commission's in-house audit practice to the private sector.

Mr Betts: I thank the Secretary of State for his response, but I am not sure that I am any clearer about the precise reasons for his decision. First, may I ask why it was necessary to announce this decision in the middle of the recess, rather than coming to the House and making a statement? There did not seem to be any particular time imperative. Will he place in the Library of the House all the detailed papers that he must have gone through showing how he came to his decision? Presumably it was not a rushed one, or a knee-jerk reaction.

As for the annual audit function, does the Secretary of State believe that the private sector has the capacity to carry it out at the same cost as the district audit service? If business is transferred to the private sector, will there be a return to the public purse? Value-for-money studies are not, as he tried to make out, some attempt to dictate to local authorities, but an important way of making comparisons between authorities, which are useful to the authorities and to the electorate in holding them to account. Who will undertake those studies in future? Finally, if the Secretary of State really believes in localism, why did he not consult local councils and the Local Government Association before announcing his decision?

Mr Pickles: I am grateful for the hon. Gentleman's questions and, indeed, I look forward eagerly to meeting him and his Committee next Monday to go through this in a more discursive way.

Of course I think there is plenty of capacity to deal with this. After all, the Audit Commission is the fifth-largest accounting practice in the country. The hon. Gentleman will readily understand that the Audit Commission was thinking along identical lines, and had already begun to engage in discussions with some of the larger practices regarding a potential sale, long before I talked to the chairman.

Do I think that going to private practice will operate at the same level of audit fees as currently? The answer is no. I expect it to be a lot cheaper. After all, audit fees have doubled in the past 13 years. With regard to the value-for-money practices and services, in the past the Audit Commission performed a very useful function. When it started out, it was virtually alone in doing that, but now there are many organisations providing those services, not least the National Audit Office. We should not be duplicating such reports.

Mr Edward Leigh (Gainsborough) (Con): I welcome the announcement. One of the problems with the Audit Commission, as opposed to the National Audit Office, is that it did not have a dedicated Committee in this place to which it could report—namely, the Public Accounts Committee. Presumably, this will now change. Can my right hon. Friend reassure me that with regard to local government and other matters covered by the Audit Commission, such as what goes on in hospital wards, the value-for-money work can now be taken up by the National Audit Office through the Public Accounts Committee and reported to the House?

Mr Pickles: The short answer is yes, and I thank my hon. Friend for that contribution. The House should celebrate the rigour that the National Audit Office has brought to the study of value for money, the work that it has done to offer good practice, and its accountability to the House. What the coalition Government have done will increase accountability to the House.

Margaret Hodge (Barking) (Lab): I share with others the concern that the Minister felt he could make such an extremely important announcement in the middle of recess, without making it to the House. I understand that he wishes the National Audit Office to have a new role, but does he understand that the National Audit Office is not a Department of Government but is accountable to Parliament, and that it is staffed not by civil servants but by officers of the Crown? In that

context, is he aware that he cannot instruct the National Audit Office to play any particular role in this instance? Will he undertake to have proper consultations—I do not think my Committee has even had a letter from him—both with the Public Accounts Commission and with my Committee before he makes any other proposals, to ensure that these proposals are workable and bring to proper public account the massive expenditure and many programmes from local government?

Mr Pickles: I am sure it was a slip of the tongue by the right hon. Lady when she said that she had received no communication from me. She was one of the first people to whom I wrote—

Margaret Hodge: I have not had a letter.

Mr Pickles: I am amazed at that. I will send the right hon. Lady a copy. I assure her that I was at great pains to write to her, and I spoke to her principal officer to ensure that she would be briefed on the matter, so I am very surprised at that and will seek to speak to her immediately after this urgent question.

I apologise to the hon. Member for Sheffield South East (Mr Betts) for not dealing with why the announcement had to be made during recess. The simple truth is that we needed to appoint a number of commissioners. Had I appointed a commissioner on a short-term basis, it would have been obvious what was happening and that would have led to all kinds of speculation. I appointed just a sufficient number of commissioners at the end of August to ensure that the commission would remain quorate and that we would have an opportunity of appointing some commissioners with experience of transferring such a valuable asset to the private sector.

Margot James (Stourbridge) (Con): As the Secretary of State knows, the Audit Commission appointed ConnectPR to lobby parliamentary candidates, MPs and Ministers in the last Parliament. What is his Department doing to end the scandal of Government agencies that are supposed to be independent using public money to lobby other arms of Government in that way?

Mr Pickles: I share my hon. Friend's concerns about that. At a time when money and resources are short, it is clearly inappropriate for public bodies to use public money to lobby other public bodies. Indeed, my Department has issued instructions to all our bodies, including arm's length bodies, to cancel all existing contracts with lobbyists, and we will shortly issue guidance to public bodies on the use of lobbyists.

Mr John Denham (Southampton, Itchen) (Lab): Over the past 15 years, is it not true that the efficiency and effectiveness of local government improved significantly? By 2008, four out of five top-tier councils were rated in the top two performance categories. Councils were making £5.5 billion of efficiency savings in the current spending period, and the Commonwealth Fund recently judged the national health service to be the most efficient health care system among industrialised countries.

Is it not the case that the independent Audit Commission played a significant role in achieving those improvements? Why was the decision to abolish the commission taken in secrecy? It was not in the coalition agreement or in the published work plan of the right hon. Gentleman's Department. Why did it have to be rushed out without consultation? Will the Secretary of State apologise for briefing that the commission was spending money on trips to the races, when he knew that it hired a meeting room on a non-race day? Why did he hide behind tabloid headlines that he knew were wrong?

When the noble Lord Heseltine set up the Audit Commission, he said that

"because local authorities appoint their own auditors, audit is not seen to be obviously independent of local government." [*Official Report*, 18 January 1982, Vol. 16, c. 53.]

Was not the noble Lord right? Are not the Government recreating between local councils and auditors the cosy, incestuous relationships that also failed Enron and, more recently, the banking system?

The Audit Commission was increasingly looking at whether local services as a whole were working together to provide quality and cost-effective services, and letting the public compare the value for money that taxpayers receive from area to area. Is it not true that the Secretary of State stopped that work because he wants to see unjustified variations in service quality and an unfair postcode lottery?

The Conservatives said at the election that the independent Audit Commission would judge whether changes to local government finance were fair. Has not the right hon. Gentleman now abolished that body so that he can make changes without any effective scrutiny?

The Audit Commission was not perfect. I too blocked the appointment of an unduly highly paid chief executive, but is the Secretary of State not destroying one of the tools for challenge and improvement? It was the Audit Commission to which I could turn to investigate the boomerang bosses who walk out with big pay-offs and go into new jobs. It was the Audit Commission that advised first me and then him on the action to be taken with Doncaster city council. The House might share my fears that this move will end up costing local taxpayers far more than it will save.

Mr Pickles: The right hon. Gentleman seems to have changed his tune slightly, because at the time of the announcement he said:

"I...warned the Audit Commission against excessive wage increases and their fate seemed to be sealed when they ignored this".

The right hon. Gentleman refers to the use of Newmarket race course. I am not concerned that the Audit Commission spent £40,000 on pot plants, £8,000 on a conference at that race course or £4,600 on bagels. Nor am I worried that it spent £6,000 to celebrate its 25th anniversary at the Reform club, £3,000 on fine dining at Shepherd's or £170,000 on role-playing and training for its staff. The commission might have made a number of mistakes and errors of judgment, but this measure is about saving the audit function.

The Audit Commission itself recognised that it was working on identical sets of proposals, because it recognised that the future of audit was in the private sector. John Seddon, a visiting professor at Cardiff university business school, recently described the commission as

"an instrument of the regime...The regime has fostered compliance rather than innovation, and compliance with wrong-headed ideas to boot."

[Mr Pickles]

It was once a great organisation, and it did make a change to local government. However, local government has changed itself and it is time to move on. No doubt the right hon. Gentleman will spend some considerable time living on past glories, but the Audit Commission cannot do that. It is time to pass the baton to the National Audit Office for the supervision of the process, and it is massively important to ensure that audit remains rigorous.

Simon Hughes (Bermondsey and Old Southwark) (LD): I hold no brief for the present regime, but will the Secretary of State explain the mechanism under the new arrangements whereby local communities will be able to tell on an annual basis whether their council is good value for money? If an individual or company wants to bring a particular query to the attention of auditors and get a quick reply, will they be able to do that, so that there is relevance both politically and economically?

Mr Pickles: The hon. Gentleman has a long and distinguished record of supporting localism. What we are doing passes the power to local people. We will ensure that a rigorous auditor is appointed and that there is rotation of auditors so that no cosy relations are built up. Auditors will have a responsibility for public probity and if a member of the public is unhappy about how their council is operating and has reason to believe that what it is doing is financially inappropriate, they will be able to report that directly. In addition to that, we will ensure that the ombudsman's powers are increased and made legally binding.

Barry Gardiner (Brent North) (Lab): The Secretary of State has said that he expects the costs to the public purse to go down as a result of abolition. Will he undertake to publish each year the actual costs of the arrangements with the private sector? Will he also ensure that there is a method whereby constituents can see comparability across the audits conducted for each area?

Mr Pickles: I am delighted to tell the hon. Gentleman that I can do better than that. We will ensure that all local authorities—and, indeed, my Department—will publish every single item of expenditure over and above £500. Members of the public will have a very clear idea where their money is being spent. That is not in any way meant to replace the auditing function. The cost of the auditing function will be made available to the public. There will be no hiding place for the Government; £50 million a year—at a Conservative estimate, if you'll pardon the pun—will be saved for the public.

Brandon Lewis (Great Yarmouth) (Con): I welcome this decision and, like councillors across the country, I suspect, I am looking forward to one of the benefits. We are all here to represent residents, and councils are there to serve them. Am I right in thinking that one of the key benefits for residents, thanks to this measure, is that councils will be able to move forward and make decisions based on what their residents want and need, rather than just ticking a box for the Audit Commission, which leads to unpopular decisions such as fortnightly waste collections?

Mr Pickles: My hon. Friend makes a valid point about fortnightly waste collections. He is not alone in this; he will be delighted to know that he is in the company of the former Mayor of London, Ken Livingstone, who has welcomed the abolition of the Audit Commission. He said:

"This is one Tory cut I support".

I am sure that we are all with him on that—although it is, of course, a coalition cut, not a Tory cut.

My hon. Friend has mentioned a prime example of the Audit Commission being keen to please the Government rather than perform its functions. When the Government were clear that they wanted fortnightly collections, it went out of its way to push local authorities in that direction. My hon. Friend is right: this measure means more power to local people.

Fiona Mactaggart (Slough) (Lab): After the implementation of this decision, what will happen to the rigorous but usually free audit support that the Audit Commission gives to small parish councils?

Mr Pickles: Given that 30% of all audit functions in public bodies are now in the private sector, I suspect that it will make no difference.

Bob Blackman (Harrow East) (Con): I am very pleased to hear the Secretary of State's announcement. I am also pleased to hear that these contracts will be rotated. However, one of the things we will all want to see is vigour in the process and expertise built up. What regulation or guidance will be issued on the length of contracts to ensure not only that a cosy arrangement does not grow up between auditors, but that expertise can be built up to speed up the process and reduce costs?

Mr Pickles: My hon. Friend is quite right to wish to ensure that there is a rigorous regime. He is also right to warn about the consequences of auditors remaining within a particular local authority for too long; it is always important to have a fresh eye. We will be looking to the National Audit Office and the professions to build up a very rigorous regime that will last and will pass the test of time.

Jon Trickett (Hemsworth) (Lab): The guarantee of probity is one of the central functions of the audit, and achieving that requires independence. One remembers very clearly the role of the Audit Commission in the political corruption at Westminster council, which revealed millions of pounds effectively being taken away from the public—the ratepayers—there.

May I draw to the House's attention the remarkable coincidence that the day on which this announcement was made—13 August—was the same day that Sir Philip Green was appointed the Government's efficiency tsar? Was there any connection between the two announcements? Can the Secretary of State give the House an assurance that Sir Philip Green, given his tax arrangements, will play no role whatsoever in guaranteeing probity in public expenditure?

Mr Pickles: I have known the hon. Gentleman for a long time, so I am genuinely sorry to do this to him, but may I politely remind him that the auditor in Westminster

was a private sector auditor working for KPMG? It was not a district auditor—it was somebody in the private sector.

With regard to any outside organisations dealing with these matters, we are looking to the National Audit Office and the professions.

Dr Andrew Murrison (South West Wiltshire) (Con): May I congratulate my right hon. Friend on doing this and on the speed with which he is carrying it out? I think it will be welcome right across the public sector. Does he agree that the problem with the Audit Commission has been one of function, structure and, I am afraid, on occasion, questionable leadership? Will he distinguish that from the excellent audit function that many who work at the coal face in the commission carry out and will presumably continue to carry out under different managerial structures?

Mr Pickles: I am very glad to make that distinction. There was an element within a part of the Audit Commission that was about press releases, sucking up to Government and being part of the latest fad. That never percolated to the audit function, which has always upheld a very high standard. While we will pursue all options, I certainly hope that the workers within the Audit Commission get the opportunity to be able to set up a co-operative. We are keen to see that it is not the bosses of the Audit Commission who benefit from this but the workers.

Sir Peter Soulsby (Leicester South) (Lab): May I remind the Secretary of State that the auditor for Westminster was appointed and supported by the Audit Commission? What assurance can he give us that the rigour that was shown by that auditor will be repeated in future when auditors are appointed and chosen by local authorities themselves, inevitably leading to cosy relationships?

Mr Pickles: I note that the hon. Gentleman has conceded the point, although a little reluctantly and perhaps not with the greatest grace, that the auditor was a private sector auditor. That clearly demonstrates that the private sector can be trusted as auditors. The majority of those dealing with industry are private sector auditors, and that is the best guarantee of probity. We will ensure that the National Audit Office and the professions oversee this. There is a distinction, and it is this: we trust local authorities; Labour Members clearly do not.

James Morris (Halesowen and Rowley Regis) (Con): Does the Secretary of State agree that under the previous Government, the Audit Commission became increasingly an agent of central control? The decision that he has rightly made sends a very important signal that this coalition Government have confidence in local government and in driving through a decentralisation agenda. That is why I welcome his decision—it is the beginning of a decentralisation path that I wholly support.

Mr Pickles: I am most grateful to my hon. Friend for his support, and he is quite right. That is one reason why I believe the Audit Commission, despite all its defects, recognised that the time had come to acknowledge that the fifth-largest auditing function in the country would be better, safer and regulated more safely in the private sector.

Pakistan Floods

4.1 pm

The Secretary of State for International Development (Mr Andrew Mitchell): With permission, Mr Speaker, I would like to make a statement about the floods in Pakistan. I am sure that Members of all parties will wish to express their profound sadness at the terrible suffering and devastation that the catastrophe has caused. Our thoughts are with all those families, both in Pakistan and here, whose lives have been touched by this terrible natural disaster.

It is now nearly a month since the devastating floods hit Pakistan, and it is almost impossible to describe the magnitude of what has happened. Ten years' equivalent of rainfall fell in one week, and subsequently a wall of water has travelled 1,200 miles down the country. Some 12.5 million people are in need of immediate assistance and 1.2 million homes have been damaged or destroyed. More than 1 million head of livestock have been lost and 3.5 million hectares of standing crops damaged or lost. The estimated cost to Pakistan's economy this year alone is $4 billion.

Britain will continue to do everything we can to help. I am particularly concerned about the potential for a secondary humanitarian public health crisis due to the slow draining of waters from Sindh province and parts of Punjab, the lack of access to clean water and sanitation facilities, and inadequate health facilities to treat the outbreak of water-borne disease. I have discussed all those concerns on a number of occasions with the United Nations Secretary-General, and he has assured me that the UN, working with partners on the ground, will do all it can to respond to the threat.

I am pleased to be able to say that the UK has been at the forefront of the international community's response to the disaster and was the first major country to come to Pakistan's support in significant scale in its hour of need. The Department for International Development has sent 3,500 all-weather tents to provide shelter for up to 10,000 people. More plane loads of aid quickly followed, providing tents, shelter kits, water containers and blankets to help many thousands more affected by the floods. We have drawn upon all resources available to the Government. The Royal Air Force has flown in five plane loads of relief, and I am sure that the whole House will join me in paying tribute to the contribution of our armed forces in this crisis.

Our assistance to date includes help for 500,000 malnourished children and pregnant or breastfeeding women through the provision of high-energy food supplements, treatment for severely malnourished children and the training of health workers. We are providing safe drinking water, sanitation and hygiene for 800,000 people, and have prioritised clean water and health interventions in Punjab and Sindh. Our support is helping to provide hygiene kits for more than 500,000 people and is being channelled through Save the Children, Concern and Oxfam. We are also providing shelter for up to 40,000 households through the Pakistan Red Crescent movement and working closely with Islamic Relief.

In addition, I am pleased to announce the overnight arrival in Karachi, in Pakistan, of the first of three new flights delivering DFID relief goods. It will bring much needed water purification units, pumps and water tanks to assist those in desperate need of clean drinking water. The other two flights will carry a range of items, including water carriers and shelter kits. We are also starting emergency production lines in two factories in Pakistan to produce hygiene kits and water containers that will help stop the spread of water-borne diseases in southern Pakistan, and are helping to set up an emergency field operation and co-ordination base camp near Sukkur to provide a base for relief workers in the middle of the worst flood-affected area.

My Department has also brought forward a bridge rehabilitation programme as part of the recovery effort. The first 10 bridges left Tilbury docks last week and will arrive in Karachi later this month. That assistance will help to open access routes and reduce the pressure on much-needed air assets.

Soon after the flooding started, I travelled to Pakistan with my noble Friend Baroness Warsi to see for myself the devastation. I visited the town of Pir Sabaq in Khyber Pakhtunkhwa province and saw the 12 foot-high watermarks on the remaining walls of the houses. It is not easy to imagine the terror and panic that must have affected particularly older, less mobile people and children as the mountain of water swept through the town. I know that the Deputy Prime Minister's visit to Pakistan last week made a similarly deep impression on him. During our visits, the Deputy Prime Minister and I discussed the situation with President Zardari and Prime Minister Gilani, as well as with representatives of UN agencies, non-governmental organisations and donors.

Following my visit to Pakistan, I went immediately to attend the UN General Assembly special session on the Pakistan floods, to support the UN Secretary-General's appeal. The initial response of the international community was woefully inadequate. I used that meeting to encourage other nations to contribute more and announced the doubling of the UK's contribution to the relief effort to £64 million. We have consistently worked to co-ordinate the effort of the donor community and on the ground with Pakistan's National Disaster Management Authority, under the experienced leadership of General Nadeem. The Pakistan authorities, the Pakistan Red Crescent Society and local and international agencies, including many brilliant British non-governmental organisations, have worked tirelessly throughout. We will continue to work closely with all partners to ensure that the response is as effective as it can be.

I should like to assure the House that my Department has throughout been committed to transparency and achieving value for money. We have not simply signed a cheque and handed it over. Our contributions to this humanitarian crisis have been based on detailed and rigorous assessments of needs on the ground. We are working night and day to ensure that every penny spent achieves a meaningful output that alleviates the suffering of the victims of this disaster. We have recently put a floods monitor on DFID's website to enable everyone to see where and how British aid is being spent to help those affected by the floods in Pakistan. All the UK's humanitarian assistance is provided through impartial agencies or through goods in kind.

I should also like to express my profound gratitude and respect for the unstinting hard work and skill shown by all British Government officials—both in DFID and from across Whitehall—throughout this emergency.

In addition to the UK taxpayer's contribution, the British people have once again demonstrated their compassion and generosity. I am sure all hon. Members will wish to join me in commending the magnificent response from the British public, who have committed more than £47 million to the Disasters Emergency Committee appeal. We continue to urge people to give, and to give generously, to that appeal.

Our commitment is not just for the current emergency relief phase but also for the long haul. We will remain at Pakistan's side to help people to rebuild their lives and livelihoods. We will also support the longer-term reconstruction needs, such as schools, health clinics and other essential infrastructure, which are being considered as part of the bilateral aid review of our development programme.

Although the floods have been a terrible tragedy, their aftermath offers a genuine opportunity for Pakistan. It is an opportunity for the international community to come together and provide exceptional support to Pakistan in its hour of need, but equally, the situation offers an unprecedented opportunity for the Government of Pakistan to drive forward a radical economic reform agenda that could make a real difference to the future of the country.

The UK and Pakistan are bound together by bonds of history and family, which underline our support for Pakistan in good times and in bad. The Pakistani diaspora living in Britain ensures that our two countries remain closely linked. This bond will remain strong over the coming months and years, as we work together to help Pakistan to recover from this unprecedented catastrophe.

Mr Douglas Alexander (Paisley and Renfrewshire South) (Lab): May I thank the Secretary of State for his statement and for the early sight of it? I join him in expressing my deep sympathy for and solidarity with the people of Pakistan in the wake of this terrible flooding. The thoughts of all us are undoubtedly with all those families in Pakistan and their relatives here in the United Kingdom who have been affected by these unprecedented events.

May I, on behalf of the Opposition, also join the right hon. Gentleman in paying tribute to the work of the officials in the Department for International Development, as well, of course, to our armed forces, especially the Royal Air Force, and many other officials across Whitehall, in responding so effectively to this emergency? There is also common ground across this Chamber in paying tribute once again to the incredible generosity of the British people. As the Secretary of State mentioned, the DEC appeal has now raised upwards of £47 million and many outstanding British charities are contributing to the relief effort.

It is nevertheless incumbent on me to ask a number of questions. First, the Secretary of State and the Deputy Prime Minister were right to criticise the response of the international community to this disaster as "woefully inadequate" and far too slow. Will he therefore give us more detail on which specific donors and international organisations he and the Deputy Prime Minister have spoken with over the past few weeks to encourage them to make more generous contributions? Will he also tell us what meetings have taken place at the EU level, and what meetings in particular he has had with Commissioner Georgieva?

Secondly, I thank the Secretary of State for providing us with a detailed list of what the Government aim to fund in the relief effort. He has indicated that he decided to bring forward some projects, including bridge building. That strikes me as a sensible approach, but could he clarify how much of the funding announced comes from sums already earmarked for Pakistan in the DFID budget, and how much of it is new and additional financing?

Thirdly, I join the Secretary of State in expressing concern about the secondary health crisis now emerging. According to the most recent reports, more than 200,000 cases of acute diarrhoea, 260,000 cases of skin disease and more than 200,000 cases of acute respiratory infection have already been reported. Does he believe that the health situation is under control? What further steps will he be taking to help to improve access to clean water and sanitation?

I wish to conclude by raising two final issues. As many in the House will know, there has been a series of concerning revelations over the summer about the Government's policies on international development. However, I do not think it appropriate to raise those in the context of today's statement, and I hope that the Secretary of State will do us the courtesy of coming to the House again soon to clarify his position on those matters. Nevertheless, there are two particular matters on which I seek further clarification today, relating specifically to this disaster.

First, as the poor initial response by donors showed, there is a clear need for greater pooled and co-ordinated funding able to be easily and quickly disbursed in disasters such as this—one of the main reasons why we championed the expansion of the UN central emergency response fund. Can the Secretary of State therefore tell us what role CERF has played in responding to this disaster, whether adequate funds were available, and whether or not he intends to increase Britain's contributions to the fund in future?

Secondly, it is clear that there is a need for continued reform of the global humanitarian system, including the UN, to increase its efficiency and effectiveness in responding to disasters such as the Pakistan floods. Can the Secretary of State therefore tell us whether or not he intends to continue the drive of the previous Government in pushing for global humanitarian reform and investing in a reformed international system, what lessons he believes need to be learned from this particular crisis, and what discussions he plans with the new UN Secretary-General?

The Secretary of State was of course right to point out the common bonds of history, culture and family that unite the UK and Pakistan. We must continue to be resolute in our support for the poor and vulnerable in Pakistan, particularly at this troubling time. Be assured, Mr Speaker, that the Government will have our support on this side of the House in their continued efforts to do so.

Mr Mitchell: I thank the right hon. Gentleman for his welcome for the statement and I will try to answer his questions.

First, may I thank him for his comments about the hard work of officials across Whitehall and the brilliant work that is being done by British charities throughout

[Mr Andrew Mitchell]

the flooded area? He asked me about the meetings that have taken place. Off the top of my head, I cannot speak for all the meetings that the Deputy Prime Minister has had, but I can tell the right hon. Gentleman that I had a raft of meetings when I was in Pakistan and New York, as well as having numerous phone calls since I got back. I talked to the Finance Minister and the Prime Minister in Pakistan, to all the leading non-governmental organisations, and to the head of the Office for the Co-ordination of Humanitarian Affairs in Islamabad, who has responsibility on the ground for the cluster system. I also had bilateral meetings with Canada, Norway, the United Arab Emirates, Japan, Australia, and with the World Bank, the International Monetary Fund and the European Union while I was in Pakistan. In New York, I had meetings with the UN Secretary-General and John Holmes, and I lobbied hard with the UAE Minister for Foreign Affairs. I also spoke to my opposite number in the United States, Raj Shah, the Pakistani Foreign Minister, the Swedish Development Minister, the Irish Development Minister and Lord Malloch-Brown. I hope, therefore, that the right hon. Gentleman feels that the British Government have used this opportunity to lobby hard and to get across the points on which he and I are agreed.

The right hon. Gentleman asked how much of the funding is new money and how much is coming from existing programmes. I cannot tell him that at the moment. Obviously, we first ensured that we found the money required, and in due course we will see what budget line it will come from.

The right hon. Gentleman next asked whether I am satisfied with the preparations made to tackle the secondary health crisis. He will be aware that the water is draining from Sindh extremely slowly because it is built on clay, and it might be many months before that drainage takes place. He is right to identify water-borne diseases and the dangers from them spreading rapidly through the vulnerable community, particularly among children and older people. All I can say is that we are on the case. I have spoken personally to the Secretary-General about that specific point, and all the money announced by the Deputy Prime Minister when he was in Pakistan last week will go directly to confronting that issue, which the right hon. Gentleman rightly raised.

Finally, the right hon. Gentleman mentioned leaks. I have seen these leaks, and I think that he will understand, having held this office, that there is probably less to them than meets the eye. However, he made two specific points. On the central emergency response fund—this proves my point—when his predecessor, the right hon. Member for Leeds Central (Hilary Benn), announced the setting up of CERF, we gave it strong support in opposition. I pressed in New York for additional amounts from that fund to be made available, and as part of our review, we will certainly see whether we can build on the substantial benefits accrued from that decision.

The right hon. Member for Paisley and Renfrewshire South (Mr Alexander) made another point about the lessons to be learned from this disaster. I am sure that there will be lessons—although obviously at the moment we are focused on confronting the emergency phase of this disaster—and I hope very much that they will be picked up and learned by the emergency humanitarian review that we have set up and is being chaired by Lord Ashdown.

Malcolm Bruce (Gordon) (LD): I welcome the Secretary of State's statement and agree with him that the UK's response, from his Department, across Whitehall and the private sector, and from private citizens, has been a leadership to the world, and also cements the relationship between the United Kingdom and Pakistan, which is very close and important. In the reconstruction effort, will he ensure that there is co-ordination between the World Bank, the United Nations, the IMF and the European Commission so that reconstruction is done to a standard that will ensure that, even if floods like this never happen again, future floods will not result in the same scale of devastation, because the standards will be higher and able to withstand the pressures? Finally, Pakistan has suffered from earthquakes and these devastating floods, and is tackling a very difficult insurgency. In those circumstances, would it not be appropriate for Pakistan to be promoted probably to the top of our bilateral aid list?

Mr Mitchell: On the last point raised by the Chairman of the International Development Committee, I said before these floods hit Pakistan that I thought it likely that, as a result of the bilateral aid review, Pakistan, within a comparatively short period, would become Britain's most significant bilateral aid programme—so I underline the point that he made in his third question.

On his first point, I thank him for what he said about British leadership. It is encouraging to note that there has been a significant increase in support for the Secretary-General's appeal fund. On his second point, about the reconstruction effort, he is clearly right that there needs to be strong co-ordination between all those taking part, and I hope that it will be provided by the pledging conference, which undoubtedly will take place before too long, and which I hope will take place in Islamabad.

Stephen Timms (East Ham) (Lab): The Secretary of State will know that concern has been expressed about the effectiveness of Pakistan Government agencies in responding to the terrible crisis that has engulfed that country, perhaps with the exception of the Pakistan army. However, he has rightly drawn attention to the contribution of NGOs—he mentioned Save the Children, Oxfam and Islamic Relief. What is his judgment of the right balance for the deployment of his Department's funding to, on the one hand, agencies of the Pakistan Government and, on the other hand, the NGOs that he has mentioned and others?

Mr Mitchell: The right hon. Gentleman is right to focus on those points. It is fair to say that no Government in the world would have been able to handle a catastrophe of this scale, and there are many who believe that the Government of Pakistan have done rather better than might have been expected. Despite the experience from the earthquake gained by General Nadeem, who is in charge of the disaster authority on behalf of the Government, and whom I met during my visit, there has clearly been a struggle. However, the Government have done better than many people expected.

The right hon. Gentleman asked how British taxpayers' money and the money so generously donated to the Disasters Emergency Committee by the British people

is being allocated. None of it goes through the Government of Pakistan; it all goes through the United Nations or through the NGOs that he mentioned, which are doing such good work in very difficult circumstances.

Mr James Clappison (Hertsmere) (Con): I join the welcome for the Secretary of State's statement. There will be widespread public support for the international lead that this country has taken in responding to this immense disaster. Does it follow from what he just said to the right hon. Member for East Ham (Stephen Timms) that British aid is being administered through his Department and through NGOs and charities directly and promptly, so that the public can have confidence that the money being spent by the Department and the money that they are generously donating is getting through directly and promptly to those in need?

Mr Mitchell: My hon. Friend is absolutely right to say that the money that is going from the British taxpayer and from people's generous donations to the Disasters Emergency Committee does not go through the Government of Pakistan. It goes through the UN cluster system, with which he will be familiar, and through the NGOs that have been mentioned. If he cares to visit the DFID website, he will see an easily accessible monitor that enables people to track where British aid is going and what it is buying.

Anas Sarwar (Glasgow Central) (Lab): I join the Secretary of State's tribute to the British people. Every time there is a disaster, they put out their hands in friendship and donate generously. They have done so again now, and we must pay tribute to them for that. I also agree with his comments about the woeful response of the international community, and I understand the answer that he gave to the shadow Secretary of State about the discussions that he has had. It is always easy to get a response and donations when people can see the sad scenes and the high waters on their television screens, but what will happen when the waters subside and the cameras are switched off? The communities and the people of Pakistan will not overcome this tragedy in a matter of days; it will take months, if not years. The message that we need to get across to the international community is that, yes, Pakistan needs its support now, but it will also need it in the months and years to come. On that last point, what work is DFID doing alongside the NGOs and other international organisations on the ground to ensure that there is a co-ordinated response through the Disasters Emergency Committee?

Mr Mitchell: The hon. Gentleman speaks eloquently about the needs that will continue for many years as a result of this crisis and of the development needs of Pakistan. Three phases are involved. The first is the emergency phase, which I hope can be brought to a conclusion as swiftly as possible. The second is the rehabilitation and rebuilding phase, which will involve the pledging conference, to which I referred, in order to co-ordinate the international effort. The third will involve the long-term development programme. We are currently reviewing Britain's contribution to that through the bilateral aid review. There will need to be great co-ordination between all members of the donor community and the Government of Pakistan to ensure that the programme addresses the long-term needs of the country and offers hope to the people who are in a pretty desperate position today.

Sajid Javid (Bromsgrove) (Con): I welcome my right hon. Friend's statement and commend the swift action that he and his Department have taken. He will know, however, that the Pakistani state is unfortunately riddled with corruption on many different levels of bureaucracy and politics. Will he reassure us that his Department is taking whatever action it can to ensure that British taxpayers' money is being spent wisely and used to provide relief and humanitarian aid?

Mr Mitchell: My hon. Friend is right to focus on the importance of bearing down on corruption, but I have made it clear that, in regard to all the emergency relief work that is being done through my Department on behalf of the British taxpayer, and through the Disasters Emergency Committee, none of the money goes through the Government of Pakistan.

Mr Gregory Campbell (East Londonderry) (DUP): Understandably, the emphasis at the moment is on the immediate assistance required, and tributes have rightly been paid to the magnificent response of the people of the United Kingdom in that regard. Towards the conclusion of his statement, the Secretary of State referred to the need to drive forward a radical economic reform agenda. How does he envisage that panning out over the next few months as the Government and people of Pakistan prepare for the future?

Mr Mitchell: The hon. Gentleman will be aware that discussions are ongoing between the IMF and the World Bank and the whole of the donor community. A number of plans, particularly for macro-economic reform in Pakistan, are already in train. The point I sought to make in my statement was that an unprecedentedly strong offer of support from the international community also merits an unprecedentedly strong focus by the Government of Pakistan on implementing the reforms that everyone is agreed need to be made, but which perhaps seem to be taking quite a long time to get through.

Paul Uppal (Wolverhampton South West) (Con): I thank the Secretary of State for delivering this ministerial statement. I am glad to see that he is conscious of the developing problem in Sindh province and also, as he mentioned, in parts of Punjab. Does he share with me the general concern he highlighted about the lack of a proper response and the poor response from the international community? It is crucial in this politically sensitive area to address this issue because it affects hearts and minds. He may be aware of initial media reports showing that Taliban-inclined elements were helping with the very initial relief. If it were ever the case that people remember who their friends are in times of need, it applies now.

Mr Mitchell: I thank my hon. Friend for his contribution. On his first point, all the money announced in New York—the second tranche, which is the doubling of our funding—is now being spent in Sindh and Punjab, for reasons that a number of hon. Members on both sides of the House have underlined.

[Mr Andrew Mitchell]

My hon. Friend is right to identify the poor response, although while I was in New York there was a big increase in support from Saudi Arabia, Canada and Australia, and a number of other countries have followed since. I very much hope that at the European Union meetings taking place in the next fortnight, there will be a strong focus on ensuring that all the countries that can come to the assistance of Pakistan in its hour of need do what they can to help.

Geraint Davies (Swansea West) (Lab/Co-op): In respect of flood risk management in the future, to what extent will the UK Government support sustained investment in the adaptation of Pakistan to climate change, therefore making the country's infrastructure and communities more resilient to future flooding?

Mr Mitchell: The hon. Gentleman is absolutely right to talk about the importance of ensuring that there is effective investment in flood defences. It is something that the international community and the Government of Pakistan will want to look at in all three of the phases I described.

Dr Julian Lewis (New Forest East) (Con): May I ask my right hon. Friend to focus a little more closely on the second point raised by my hon. Friend the Member for Wolverhampton South West (Paul Uppal)? Was the Secretary of State as appalled and disgusted as I was to hear of the threats being issued by the Pakistani Taliban to murder "infidel" aid workers who presume to try and help their fellow countrymen? I know that his emphasis must be on the relief of suffering at the moment, but when that issue has moved further forward, will he have conversations with Foreign Office Ministers on how best to make it clear to the Pakistani people in future what sort of atrocious attitude and immorality is rife among those who say that people who want to help the people of Pakistan ought to be murdered?

Mr Mitchell: My hon. Friend makes an eloquent contribution and I can assure him that we discuss on a regular basis these and every other matter related to the emergency in Pakistan with colleagues right across Whitehall. It seems to me that in confronting the specific issue he raised, it must be right to try to ensure that the international community and the Government of Pakistan get the relief as effectively as possible to the people who are earnestly waiting for it because they have been cut off from it. In a sense, that is the answer to his question about what the international community can do to combat the malign influences that he described.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): In comparing the inadequate and belated response of the international community with the heartwarming and generous response of the British public, may I draw the right hon. Gentleman's attention to the numerous fundraising activities that are taking place in my constituency? Many of my constituents have relatives in the afflicted area. Will he enable his Department to work closely with Manchester airport to ensure that goods sent as a result of those fundraising activities are conveyed from Manchester to Pakistan as soon as possible?

Mr Mitchell: I thank the right hon. Gentleman for the encouragement that he has rightly given to communities in and around his constituency. I will certainly refer his point about Manchester airport to my officials, who will write to him shortly with an answer.

The right hon. Gentleman is also right to pay tribute to the extraordinary generosity of the diaspora communities in raising funds. I am thinking particularly of Islamic Relief, which is doing incredible work, but it is not the only organisation involved. Last Friday I had a chance to spend time with the Pakistani diaspora community in Birmingham, where I experienced a thought process very similar to the right hon. Gentleman's.

Dan Byles (North Warwickshire) (Con): I echo the Secretary of State's thanks to our overstretched armed forces for their assistance to people who have been devastated by the flood. Does he agree that their logistic capabilities represent a uniquely effective resource for conveying aid to where it is needed, quickly and flexibly, at such times of crisis? Will his Department be making a submission to the Ministry of Defence as part of the strategic defence review, urging it to preserve that capability?

Mr Mitchell: My hon. Friend is right to draw attention to the strong support that has been provided across Whitehall throughout the weeks of the emergency. I have already mentioned the work of the Royal Air Force and the assistance that has been given with the supply of bridges. MOD officials in Islamabad are working more than 18 hours a day with officials from the Foreign Office and from my Department. Moreover, NATO has offered to provide 300 hours of flying time in support of the United Nations and others involved in the relief effort, and I know that they are considering how and when to take up that offer.

Joan Walley (Stoke-on-Trent North) (Lab): My constituents with families in Pakistan will welcome the statement; they will also welcome the web monitor enabling them to track progress. Given the scale of the emerging public health problems and the need to consider long-term reconstruction, will the Secretary of State tell us a little more about his discussions with the World Bank about debt cancellation?

Mr Mitchell: I thank the hon. Lady for her comments. I know that she is heavily engaged with the community in her constituency on these matters. As I have said, we are doing everything we can to support all who are involved in combating the public health crisis, especially in Sindh, where the problem of water-borne diseases is so dangerous and prevalent. As for public debt, it amounts to only about 3% of Pakistan's budget, so it should be seen in context. However, all those issues will be considered during the ongoing discussions with the International Monetary Fund and the World Bank.

Greg Mulholland (Leeds North West) (LD): Like other Members, I have received an incredible response from people in my constituency. I am sorry that I cannot attend this evening, with the lord mayor of Leeds, a late breakfast at the Makkah mosque, where there has been some wonderful activity.

May I take the point made by the hon. Member for Stoke-on-Trent North (Joan Walley) a little further and refer the Secretary of State to the ONE International Pakistan debt campaign? Surely, as happened in the

case of Haiti, we should consider diverting some of Pakistan's debt payments over the next couple of years to people who need the money so desperately now.

Mr Mitchell: I agree with the hon. Gentleman's final point, and I know that the IMF and the World Bank will show great sensitivity in that regard. As I said in my previous answer, we are dealing with relatively small interest payments, but he is right to suggest that we should be sensitive about the matter at this time. I also refer him to my earlier remarks about the importance of macro-economic reform. That will undoubtedly be one of the issues dealt with in the discussions on that subject.

Barry Gardiner (Brent North) (Lab): The Secretary of State spoke of the devastation caused when a wall of water travelled 1,200 miles down the country. A question that his officials will, of course, have considered is why it was able to do that, and no doubt the answer that they will have given the Secretary of State is that there was demand for wood from the forests to provide cooking fuel and enable construction to take place in Pakistan. Once the immediate need no longer exists and reconstruction is under way, will the Secretary of State consider the need for reconstruction of green infrastructure and the forests that would, in the past, have stopped that wall of water from travelling those 1,200 miles?

Mr Mitchell: I am grateful to the hon. Gentleman for both asking and answering his question. He is right to talk about the importance of developing green infrastructure as part of the recovery phase, and I can assure him that that will be considered, but the truth is that a flood of such a completely unprecedented scale would have swept away almost everything in its path.

Mr David Nuttall (Bury North) (Con): I thank the Secretary of State for his statement. I also thank him on behalf of my constituents, many of whom have family in Pakistan, for the work his Department has done. While declaring an interest as a member of the Rotary club of Bury, may I ask the Secretary of State to join me in paying tribute to the work of Rotary International for the work it has done in helping to relieve the suffering of those in Pakistan who have been affected by the floods, particularly through the work of its ShelterBox scheme?

Mr Mitchell: I thank my hon. Friend for his comments, and he is of course right to say that the 1 million or so members of the Pakistani diaspora, many of whom have relations directly affected by the flooding, have been extremely concerned and worried. We have been able through a number of mechanisms to give both information and reassurance. I pay tribute to my noble Friend Baroness Warsi, who has been very heavily involved with all the diaspora community and who came with me to Pakistan. I also join my hon. Friend in paying tribute to the work of Rotary, which makes such a tremendous contribution in this and so many other areas of development.

Rushanara Ali (Bethnal Green and Bow) (Lab): I welcome the Secretary of State's statement. I remind the House that the community in my constituency has, with the rest of the British public, been working hard to raise money. A third of my constituents are of Bangladeshi origin and they are no strangers to floods causing such devastation as has happened in Pakistan.

I urge the Secretary of State to work with the EU countries to focus on what steps can be taken to tackle the long-term challenges of climate-related disasters. What additional funding, on top of what has already been committed and Government aid funding and emergency aid, is he committing to climate change adaptation?

Mr Mitchell: On that final point, the hon. Lady must wait for the outcome of the spending review, which will be announced on 20 October, but I assure her that the points she made so eloquently are being actively considered. This morning, I discussed with the Foreign Secretary the point she made about ensuring that we work closely with EU members to take forward our common endeavours. Her comment about closer EU co-ordination is very well made.

Jeremy Lefroy (Stafford) (Con): I thank the Secretary of State for his statement and join him in thanking all those across the country who have given so generously. This weekend, Staffordshire county council will host a dinner involving members of the local community to raise funds for disaster relief.

The Secretary of State will be aware that there are great concerns about the effect of the floods on agricultural land. Will he keep under review the long-term effect on agriculture, particularly the effect on upcoming planting, and how the UK can assist in relieving the problems that Pakistan is likely to suffer?

Mr Mitchell: My hon. Friend is absolutely right about the devastation that has struck both livestock and crops, upon which people in Pakistan are absolutely reliant. I set out in my statement the scale and extent of that devastation. We are already providing funding for seeds for the forthcoming planting season and we will keep under close review the important aspect my hon. Friend highlights, which will directly affect the extent of food security in Pakistan in the forthcoming year.

John Cryer (Leyton and Wanstead) (Lab): I, too, welcome the Secretary of State's statement, as will many of my constituents in Leyton and Wanstead. On the question of economic reform, in his discussions with the IMF and other international bodies, will he guard carefully against any suggestion of anything that resembles structural adjustment programmes? They might not be called that any more, but the fact is that elements in many international bodies are still keen on such programmes, which in the past have wrought the kind of devastation that we have seen in many countries, including environmental devastation.

Mr Mitchell: The hon. Gentleman makes a good point. After my discussions not only with the IMF but with the Minister of Finance, who is working so hard in Pakistan on these reforms, I can assure the hon. Gentleman that a measured approach is being taken on those matters.

Simon Hughes (Bermondsey and Old Southwark) (LD): The Secretary of State's statement and answers show our solidarity with Pakistan and practical aid. Is he willing to add to what he has said by continuing to press both European and Commonwealth colleagues to increase their contributions, by exploring expressly with

[Simon Hughes]

the IMF a two-year moratorium on the repayment of debt, and by seeing whether the good experience on Haiti, where a trust fund was established, might be repeated, to give reassurance internationally as well as nationally that money will continue to be spent well and in a way that is acceptable to the whole community?

Mr Mitchell: On the hon. Gentleman's third point about a trust fund, that is a mechanism for which there might clearly be a significant role, but we must allow the pledging conference and the other discussions that are going on in the donor community to develop to see precisely what role it might play. He is right, in particular, to identify the Commonwealth. A number of fellow Commonwealth members came quite rapidly to the support of Pakistan, but it is important that all European countries and donor nations that have the significant ability to help do so at this time.

Fiona Mactaggart (Slough) (Lab): Does the Secretary of State agree with me that the generosity that our constituents have shown puts to shame the laziness and inadequate support of other countries? In Slough over the past couple of weekends, I have been involved in bucket collections that have raised more than £3,000 in a small town. Will he ensure that as well as a short-term urgent response to the health crisis, he makes a more strategic long-term investment in improving Pakistan's health infrastructure, which is grossly inadequate? That is illustrated, more than anything else in my view, by the fact that the maternal mortality rate is much worse in Pakistan than in many much poorer countries.

Mr Mitchell: The hon. Lady is absolutely right to draw attention to the maternal mortality figures in Pakistan. That is one of the reasons why, at the G8 summit earlier this year, the Prime Minister focused on millennium development goal 5 and maternal mortality—a strong priority for the United Kingdom. I hope that this is something that we will be able to take forward at the forthcoming MDG summit. On her other points, I pay tribute to the work that she is doing to support fundraising efforts in her constituency. I know that Members on both sides of the house are doing that, and we need to continue to do it.

Andrew Stephenson (Pendle) (Con): I welcome the statement from my right hon. Friend. In my constituency, there has been huge support for the victims of the floods, and I pay tribute to the work of the Secretary of State and his Department. However, I have attended a number of fundraisers for the flood appeal where many people have expressed concerns about the effectiveness of the Pakistani authorities. I know that he has already provided the House with reassurances that the aid to deal with the immediate crisis is being delivered through non-governmental organisations, but what reassurances can he give us that similar scrutiny will be given to long-term infrastructure and reconstruction projects?

Mr Mitchell: My hon. Friend is right to talk about bearing down on corruption and ensuring that for every pound of hard-earned taxpayers' money, as well as of hard-pressed donor money that is spent, we get 100p of value. That is a preoccupation in all the work we do in my Department, and it will continue to be so throughout all the phases of recovery that we have discussed today.

Hugh Bayley (York Central) (Lab): I welcome the Secretary of State's response. News reports from Pakistan in recent weeks seem to indicate a high level of support from the Pakistani people for the actions of the military, but a much lower level of support for the actions of the civilian Government. I do not want to be alarmist about the future of civilian rule in Pakistan, but will the Secretary of State give me an assurance that his Department will continue to make improvements in governance a very high priority indeed, and will make bolstering civilian government in Pakistan an important part of our aid programme over years to come?

Mr Mitchell: Yes.

Dr William McCrea (South Antrim) (DUP): The people throughout the United Kingdom have raised an amazing £47 million, in addition to the money coming from Government. Can the Secretary of State assure me that there is proper co-ordination of where all that money is being directed, to ensure that those who need it most will be able to get that aid?

Mr Mitchell: I believe I can give the hon. Gentleman the assurance that he rightly seeks. All of the taxpayers' money is allocated through my officials in Islamabad, after careful discussion of what results will be delivered by the spending of that British taxpayers' money. Sometimes it takes a little longer to allocate the funds precisely, but we do so with the confidence that it will have the effect that those who have provided the money would rightly insist on seeing.

Mark Durkan (Foyle) (SDLP): If the international community's initial response was so woefully inadequate, can the Secretary of State tell us that he is now confident that it will be better geared in response to the secondary humanitarian public health crisis that he anticipates; and will others be there for the long-term reconstruction needs, in the way that he has underlined in the commitments that he has given today?

Mr Mitchell: The answer to the hon. Gentleman can only be that time will tell, but I am confident that we are all focused on trying to ensure that is indeed the case, and that focus will continue throughout not only the emergency phase but the subsequent two phases, which I have described.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): Members across the House have rightly spoken of the work being done by people in their communities. I mention the work being done by the small non-governmental organisation, Edinburgh Direct Aid, which is headquartered in my constituency; it does various work in the areas concerned and is working on this issue as well.

On the question of a long-term response, the rather general information that the Secretary of State is able to give about the EU response—this is no criticism of him—makes me worried that the EU response is not building up as quickly as it should. When does he expect next to meet some of his EU colleagues to try to get not just a short-term response, but a longer-term response of the type that my hon. Friend the Member for Foyle (Mark Durkan) just mentioned?

Mr Mitchell: The hon. Gentleman is right to point to the inadequacy of the response from members of the European Union in the early days of the crisis. I think there was a significant improvement in the second week. I had a discussion this morning with the Foreign Secretary, who will attend a significant EU meeting within the next two weeks, where he will make precisely the points that inform the hon. Gentleman's question.

Mr Denis MacShane (Rotherham) (Lab): As in the past, the Department for International Development and its leadership have risen to the challenge of the crisis and have done our country proud, but I wonder whether the Secretary of State would consider involving more directly the Pakistani diaspora community leadership in our country, perhaps by organising a common trip to Pakistan of himself, the shadow DFID Secretary and the Chairman of the International Development Committee, to show how our Parliament, our Government and our community are now working with British citizens to help solve some of the terrible problems that their linked communities face in Pakistan.

Mr Mitchell: I thank the right hon. Gentleman for his generous remarks about my officials, which I will pass on to them, and to others in Whitehall. He is right to stress the importance of the very inclusive approach that we are taking in working with the diaspora communities and with all people who want to assist in tackling this dreadful crisis. The spirit of what he said is embodied in the decision by the Government of Pakistan to take up a proposal from the Opposition to set up a high-level committee to co-ordinate the Government response to the crisis, so I hope he feels that notice is being taken of the importance of everyone putting aside any differences and concentrating on helping in a disaster, which even today is still leaving millions of people without any form of support.

Jim Shannon (Strangford) (DUP): I thank the Secretary of State for his very positive response. In my church on Sunday, as in many churches in my constituency and further afield—in fact, right across the United Kingdom—there was a collection for the people of Pakistan. It is therefore disturbing to be made aware that there is discrimination in some cases—more localised than systematic, I have to say—against people in the Christian community, who say that they are not receiving the relief aid that they should. In his statement, the right hon. Gentleman said that "every penny spent achieves a meaningful output that alleviates the suffering" of all the victims. Will he assure us today that the people in the Christian community in Pakistan, who have been discriminated against through no fault of their own and who are equally subject to the effects of the floods, will be looked after, and will receive the relief that we in the United Kingdom wish them to have?

Mr Mitchell: I have not heard the details of what the hon. Gentleman has said, but in view of his concerns, I will certainly look in detail at what he said, and I shall write to him to advise him of what I discover.

Point of Order

4.51 pm

Dr Julian Lewis (New Forest East) (Con): On a point of order, Mr Speaker. You will recall granting an urgent question before the recess to, I think, the hon. Member for Islington South and Finsbury (Emily Thornberry) about the death of Ian Tomlinson, a bystander at the G20 riots who was struck by a policeman. The evidence of the pathologist concerned, Dr Patel, was irreconcilably different from that of other experts, and that was cited as the reason for no action being taken. Given that he was last week struck off the register by the General Medical Council, can you tell the House whether you have received any indication from a Law Officer or a Justice Minister that a further statement will be made about the terrible circumstances of the case, which has caused concern throughout the country and on both sides of the House?

Mr Speaker: I am grateful to the hon. Gentleman. The short answer is that I have received no such request at all. However, the great likelihood is that Ministers, including Law Officers, will have heard his point of order.

Freedom of Information (Amendment)

Motion for leave to bring in a Bill (Standing Order No. 23)

4.52 pm

Tom Brake (Carshalton and Wallington) (LD): I beg to move,

That leave be given to bring in a Bill to amend the Freedom of Information Act 2000 to remove provisions permitting Ministers to overrule decisions of the Information Commissioner and Information Tribunal; to limit the time allowed for public authorities to respond to requests involving consideration of the public interest; to amend the definition of public authorities; and for connected purposes.

The day when Members of this House backed the Freedom of Information (Amendment) Bill put forward by the right hon. David Maclean, the then Member for Penrith and The Border, will rightly go down in history as one of the most embarrassing days of the previous Parliament. The arguments deployed in favour of that Bill were spurious and specious and collapsed after the most cursory scrutiny. In an article in *The Daily Telegraph* headlined "House of Knaves", the Bill was described as "an abysmal decision", with MPs

"Acting in a way uncomfortably reminiscent of Communist officials in East Germany".

A *Daily Mail* headline at the time was no more flattering. It said "MPs' freedom of information cover-up is a dark day for democracy". *The Sun* was characteristically blunt, saying "MPs back 'squalid' secrecy bill". Members of this House—not only those who were whipped into voting for the Bill, but those who failed to anticipate the skulduggery and subterfuge that the Front-Bench teams were willing to contrive, and who were therefore attending to important constituency business on that Friday—have had ample opportunity to consider the damage caused by that capricious and self-serving vote.

It is timely to revisit the issue in the week in which our former Prime Minister, Tony Blair, chose to denounce the Freedom of Information Act as a "blunder". I would be more inclined to agree with his assertion in 1996 that

"information is power, and any government's attitude about sharing information with the people actually says a great deal about how it views power itself and how it views the relationship between itself and the people who elected it."

It was with that view in mind that I sought to introduce the Freedom of Information (Amendment) (No. 2) Bill in 2007, so that I might demonstrate to our constituents that Members were committed not only to protecting FOI legislation but to reinforcing it. In the spirit of the coalition's pledge both to extend the scope of the Freedom of Information Act and to provide greater transparency, I have introduced today's Freedom of Information (Amendment) Bill, which will strengthen FOI powers in four key areas. I make no apologies for the sense of déjà vu that some Members may have. The Bill is, broadly speaking, identical to my 2007 Bill, because the weaknesses of the FOI Act remain, with one exception, as academies will now be covered by the Act.

The four key areas that I seek to address are the removal of the ministerial veto; an extension of the time limit within which proceedings can be brought for the offence of deliberately altering a record to prevent the disclosure of information; a limit on the time allowed for public authorities to respond to requests involving consideration of the public interest; and an extension of the range of bodies covered by FOI legislation.

In 2007, I noted that the ministerial veto had never been exercised. Furthermore, I entertained the idea that Members might consider that that was a reason for maintaining it, because Ministers had shown considerable self-restraint in not exercising it.

That argument is now sadly redundant. In the intervening period, the ministerial veto has been used twice by the right hon. Member for Blackburn (Mr Straw), in his then role as Justice Secretary, in the first instance, to block the release of minutes of Cabinet meetings in the run-up to the Iraq war, because releasing the papers would do "serious damage" to Cabinet government and outweigh public interest needs. In the second instance, it was used to block the disclosure of minutes of the Cabinet Sub-Committee on Devolution to Scotland, Wales and the Regions from 1998.

The exercise of the ministerial veto introduces a veil of secrecy and affords an opportunity for arguments in favour of the public interest to be dismissed out of hand. Furthermore, its deployment sets a dangerous precedent and paints a worrying picture of a disdainful relationship between Government and the electorate.

Similarly, it may appear that there is no need to extend the period during which proceedings can be brought for the offence of deliberately altering a record to prevent disclosure of information under section 77 of the FOI Act—that is a new proposal. There do not appear to have been any prosecutions for the offence.

In the wake, however, of the climatic research unit e-mail controversy—or "Climategate", as it is known to the tabloid media—the Information Commissioner's Office found evidence that the CRU tried to avoid disclosure by deleting information. In a letter from the ICO to the CRU, the deputy commissioner confirmed the fact that

"elements of a section 77 offence may have been found here, but cannot be acted on because of the elapsed time",

and said that that was "a very serious matter."

In its subsequent report, the Select Committee on Science and Technology recommended that the six-month time limit between offence and prosecution for breaches of section 77 of the Freedom of Information Act be reviewed. The amendment proposed by my Bill would allow a prosecution to be brought within six months of sufficient evidence of the offence coming to the prosecutor's knowledge, rather than within six months of the offence being committed. However, a prosecution could not be brought more than three years after an offence had been committed.

I would now like to move on to the subject of time limits within which public authorities must respond to public interest FOI requests. In 2009, 1,551 requests to central Government Departments and other monitored bodies were subject to an extension beyond the 20-working-days period, so that the issue of whether information should be disclosed on public interest grounds could be considered. That is allowed, as public authorities can use whatever additional time is "reasonable in the circumstances" to consider the Act's public interest test. Figures from a Ministry of Justice publication, "Freedom of Information Act 2000: 2009 Annual Statistics on implementation in central government" show that of those extensions, in 155 cases, the extension was between

21 and 30 days; in 129 cases, it was between 31 and 40 days; and in 276 cases, it was over 40 days, but how far over is not known. If the Bill is introduced, all those requests, totalling more than 500, would receive a response in fewer than 40 days. Departments such as the Home Office, which set a record in 2007—I do not know whether that is still the case—of 18 months for tardiness in answering an FOI request would no longer be able to use delaying tactics to postpone the release of embarrassing information.

Finally, the Bill proposes an extension to the definition of public authorities to include publicly owned companies, publicly funded "not for dividend" companies, and private contractors delivering high-value public sector contracts. At present, a company that is wholly owned by a public authority is subject to the FOI Act in its own right under section 6(1) of the Act. However, where a company is jointly owned by two or more public authorities, it is not subject to the Act. Equally, where a public authority owns 99% of the shares and someone else owns only 1%, the company is not covered. The proposed amendment would bring within the scope of the Act any company where at least 51% of the shares were owned by one or more public authorities. Not-for-dividend companies such as Network Rail, which are not covered by FOI although the Government are the sole shareholder, would have their secrets revealed if the Bill were to become law.

The argument about private contractors doing public work for public authorities is less clear. The Secretary of State has the power to designate private contractors under the Act, but has never done so. The Bill would include only a very small number of very large private contractors working for a public authority—organisations such as Capita or Serco, for instance—which had contracts of a value exceeding £1 million and covering a period of more than 12 months. Clearly, such organisations are in effect quasi-public authorities delivering public services and they must not be allowed to avoid the scrutiny provided by FOI legislation. They must be covered by FOI rules too.

I have set out today in this Bill four simple measures that demonstrate the Government's commitment to extending FOI and demonstrate that the decision taken three years ago to support the FOI (Amendment) Bill was an aberration. This Bill will strengthen FOI legislation, not emasculate it. I urge Members to support the Bill.

5.1 pm

Mr Denis MacShane (Rotherham) (Lab): I congratulate the hon. Member for Carshalton and Wallington (Tom Brake) on a vigorous speech. I found little in it with which I would disagree, but I think his Bill should be taken much further forward. My only slight worry was the way in which he so enthusiastically prayed in aid at the beginning of his speech quotes from *The Sun* and the *Daily Mail*. I gently say to him, even if he is now sitting on the Government Benches, that if he lies down with those papers, he may end up getting very flea-bitten indeed.

However, the hon. Gentleman is right to bring to the House concerns about the Freedom of Information Act, and he is right to quote the former Prime Minister, Tony Blair. I have his book, which says:

"Freedom of Information. Three harmless words. I look at those words as I write them, and feel like shaking my head till it drops off my shoulders. You idiot. You naïve, foolish, irresponsible nincompoop"—

and that is only on freedom of information. I find it rather touching and a healthy thing that we have a former Prime Minister prepared so to describe himself. I have searched in vain in the memoirs of Baroness Thatcher or Sir John Major for any similar recognition that they now have the slightest scintilla of doubt about something that they did.

I suggest gently to the House that the Freedom of Information Act, which became fully operational in 2005—some five years ago—was meant to lead to better government and better journalism. It has been an article of my faith since I first joined the National Union of Journalists about 40 years ago; in the 1970s, it was loony lefties like me who argued for freedom of information. Bit by bit we won the argument. We could not persuade the then Labour Government, we could not persuade the 1979-1997 Government, but we did persuade Tony Blair, and we now have freedom of information on the statute book.

I ask the question again: have we better government as a result? In May, the British people gently suggested that they were not quite so sure that their Government were a paragon of virtue who should be re-elected. If any right hon. or hon. Member in the House is prepared to aver that we now have much better journalism and newspapers as a result of freedom of information, I kindly ask them to put up their hand. Quite.

Freedom of information has coincided—I am not saying that it is cause and effect—with poorer government, and I very much hope that the hon. Gentleman gets his turn with a company car, because then he will find out what I am talking about. In large areas of government, the written discussion and advice that are now on offer to the Ministers who have to make decisions are weaker, because the deciders—the policy makers—are looking over their shoulders and saying, "Will one tiny section of what I am writing appear on the front page of the *Daily Mail*, *The Sun*, *The Daily Telegraph* or any other paper?" As a result, they hedge their bets.

I started to see that happening during my time as a Minister in the Foreign Office, when it was a privilege to receive, frankly, some of the most brutal assessments of what was happening in the world from very, very able foreign service officers. As the dawn of freedom of information approached, however, those assessments became softer and more careful, because, although there are provisions for not revealing policy and the rest of it, they were not sure whether some of what they might write might, in some other context, be made available for the delectation of our journalists.

I do not have a solution to the issue. Freedom of information is still my article of faith, but we may have imported the model in America, where there is a clear separation between the legislature and the Executive and, on the whole, newspapers are more sensitive about facts, to our system, where the Executive and the legislature are fused and a great number of requests—not all, because many diligent journalists use FOI very effectively—are made purely to seek out sensationalist tittle-tattle. I look at the disgraceful story about the Foreign Secretary last week, in which some of those blog rats, those blog boys, used freedom of information only and exclusively to try to peddle innuendo, smear and rumour. I do not know the answer, but I do believe that we need a serious review of the Act. We need to

[Mr Denis MacShane]

have a discussion, because the employer of the UK Information Commissioner is, according to Wikipedia, the

"Parliament of the United Kingdom".

But is he in any way accountable to us? Does he make formal reports to us? Is there a Committee to which I might put questions about what he does? The answer is no, and we as a House need to look into that.

I would go further than the hon. Member for Carshalton and Wallington. He is a radical and a liberal, but he is in this wretched coalition, so suddenly we can see his liberalism being slowly vitiated as he becomes more and more conservative. We saw that process yesterday, when there was absolutely no intervention from senior Liberal Democrats on the Andy Coulson affair. It was left to the hon. Member for Torbay (Mr Sanders) to raise the issues.

I would like to see the Freedom of Information Act extended to all those organisations and companies that have any formal status within the public realm. We have referred to the fourth estate, and it is time for freedom of information laws to extend fully to all our media organisations. They have far more power than many public agencies, local councils and the rest, which are covered by FOI legislation. What our media organisations and the oligarchs—often from overseas—who own them decide to do has a huge impact on our public life, and any company that is in receipt of taxpayers' money should also be covered by FOI. *[Interruption.]* I am glad to see the hon. Member for Carshalton and Wallington, from a sedentary position, giving me some gentle support; I hope that we can secure some cross-party agreement on the matter and, perhaps, even consider temporarily re-forming the old alliance.

We also need to look at the UK Information Commissioner. That distinguished gentleman spent the early part of his life serving as a Liberal Democrat councillor, and he has twice stood as a Liberal Democrat candidate for Parliament. I wonder whether the Information Commissioner should be so connected, in such a direct political way, with one of the parties now in government.

We also need to discuss the exact gap between freedom of information and the freedom to have a private life, although I do not want to repeat my remarks about last week's appalling slurs against the Foreign Secretary. We now have the extraordinary example, well known to the House, of our own Independent Parliamentary Standards Authority, which has been leaking details about right hon. and hon. Members to the press. When the sensationalist press have applied to it under freedom of information, the authority has given details of secret notes kept about MPs.

Perhaps Ministers are all good gentlemen who never use swear words, blow their tops or get cross; I certainly know that the Minister for the Cabinet Office, who is sitting opposite me, has never, ever used naval language in his life and is a paragon of niceness to his subordinates when he is feeling upset. Frankly, however, if his subordinates kept secret notes about him that were released every other week under FOI, there would be the most wondrous headlines to amuse us. IPSA did that. It did not stand up for a modicum of privacy and it allowed FOI information to be used against hon. Members.

My hon. Friend the Member for Glasgow South (Mr Harris) has asked IPSA for some information but it has refused to provide it, so he put in a freedom of information request, but IPSA has refused to comply with that. This public body is willing to put FOI information into the public domain to the detriment of right hon. and hon. Members, yet tries to shelter itself from and refuses to co-operate with FOI requests.

Those are some of the paradoxes. We need a debate and a review. The hon. Member for Carshalton and Wallington has done the House a great service. Now let us have a wider debate on the reform of how FOI works.

Question put (Standing Order No. 23) and agreed to.

Ordered,

That Tom Brake, Caroline Lucas, Dr Julian Huppert, Dan Rogerson, Tim Farron, Mike Crockart, Stephen Lloyd, Mr Richard Shepherd and Simon Hughes present the Bill.

Tom Brake accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 12 November and to be printed (Bill 68).

Superannuation Bill

[Relevant document: The oral evidence taken before the Public Administration Select Committee on 27 July (HC 397) on the Civil Service compensation scheme.]

Second Reading

Mr Deputy Speaker (Mr Lindsay Hoyle): I have to inform the House that Mr Speaker has selected the reasoned amendment in the name of the right hon. and learned Member for Camberwell and Peckham (Ms Harman).

5.13 pm

The Minister for the Cabinet Office and Paymaster General (Mr Francis Maude): I beg to move, That the Bill be now read a Second time.

In a statement to the House on 6 July, I made clear the Government's intention to make the civil service compensation scheme affordable and I set out our intention to legislate to underpin the negotiations about achieving that. I start by stating my unqualified support for the British civil service; I firmly believe that our system of a permanent civil service is one of the jewels of our constitution.

The service's values of political impartiality, recruitment and advancement on merit, and the public service ethos are as much to be cherished and nurtured today as they ever were. The service is admired throughout the world for the way in which it serves the elected Government of the day. A steady stream of visitors from other countries send their civil servants to find out how it is done here. It is a pleasure, on returning to government—after an 18-year sabbatical, in my case—to discover that those virtues and values remain intact.

In the latter part of the last Parliament, I was pleased to support the previous Government's actions in introducing, rather belatedly, it has to be said, civil service legislation—only 154 years after it was promised in the Northcote-Trevelyan report, but better late than never. That was an important step in ensuring the continuance of an impartial civil service.

I am also delighted to find that the service continues to attract the best and the brightest, with the civil service fast stream recognised as one of the most prestigious graduate programmes in the country. So the Bill is emphatically not an attack on the civil service: it is a necessary measure to deliver fairness and affordability in the appallingly challenging fiscal circumstances in which the last Government left Britain.

It might be helpful to the House if I set out some of the history and background to how we have got to where we are today. The history of compensation in the civil service is a long one, with the first legislation covering it having been passed more than 150 years ago. The ability of the state to pay compensation to civil servants on the loss of office was created under the Superannuation Act 1859. That Act did not create a right to compensation, but it created a framework under which such payments could be made. The Superannuation Act 1965 consolidated the previous Acts and included provision for the early payment of pensions to those aged 50 or over who were asked to take early retirement in the interests of efficiency. The same Act repeated the provision of an earlier Act that spelled out that civil servants had no legal entitlement or legal right to the benefits referred to in the 1965 Act, which was itself supplemented by an administrative code that set out the payments that a civil servant could expect, making it crystal clear that there was no entitlement to such benefits.

In the late 1960s and early 1970s, the Fulton committee reviewed the position of civil servants. Alongside that committee, the joint superannuation committee of the national Whitley Council was set up to review the provisions of the 1965 Act. It reported in 1972, noting that improvements were needed to the superannuation scheme

"to restore to the Civil Service the position it had traditionally held as one of the leaders in pension practice."

That view was reflected in the Superannuation Act 1972, which granted civil servants rights to their pensions. In 1987, the compensation scheme was amended to its current form.

The previous Administration concluded that the current scheme was both unsustainable and indefensible. In the summer of 2008, with support from all parts of the House, Ministers embarked on lengthy negotiations to reform the compensation scheme. The right hon. Member for Dulwich and West Norwood (Tessa Jowell) was one of those Ministers. I think it is fair to say that those negotiations were very long drawn out and protracted. I pay tribute to the efforts of successive Ministers in trying to achieve an agreed outcome; they really did go the extra mile to try to achieve consensus. Arguably, they went too far, because the new scheme that was finally agreed in February this year was still out of kilter with most of the rest of the public sector and would have been unrecognisable, frankly, to anyone in the private sector.

The compromises that created what I still regard as a hard-to-defend scheme were made with the expectation that all six civil service trade unions present at the negotiations would agree it. That appeared to have been achieved, but sadly when the agreement was referred back to the leadership of the Public and Commercial Services Union—the biggest and most numerous union, representing very largely lower-paid civil servants—the rug was pulled from under the feet of the lead PCS negotiator and the agreement was rescinded. So after 18 months of tortuous negotiations, with perhaps an excess of flexibility on the part of the then Government, consensual reform of the scheme seemed as far away as ever. Ministers then took the view, correctly, that PCS's last-minute volte-face could not be allowed to stand in the way of much-needed reform. Therefore, with the agreement of five out of the six unions, the right hon. Member for Dulwich and West Norwood laid the necessary order to give effect to the reformed scheme.

I have at all times made clear our view that the February scheme did not go far enough. Had it come into effect, however, when the coalition Government took office in May this year, a pressing case would have been made to let it remain in force. Sadly, that option simply did not exist. PCS unilaterally, and without the support of the other five trade unions, sought and obtained judicial review and obtained an order that quashed the February scheme. The option of allowing the scheme agreed and negotiated by the last Government was removed from the table by PCS's unilateral action.

Steve McCabe (Birmingham, Selly Oak) (Lab): Whatever the rights and wrongs of seeking judicial review, I am sure the Minister will accept that PCS represents some

[Steve McCabe]

of the poorest-paid workers in the civil service. His scheme, rather than being fair, will be a lot less generous to them. Why is he introducing a scheme that gives the poorest-paid junior jobcentre official only as much protection as a head of Department in the civil service, when on 6 July he promised protection for the poorest-paid?

Mr Maude: I will come on to precisely that point, because the hon. Gentleman puts his finger on a real concern that I have. I will deal with it in detail later, if I may, because how to protect effectively the position of the lowest-paid in the civil service is a really important issue that will concern everyone in the House.

It is now more than 20 years since the last serious reform of the compensation scheme and more than two years since the current reform process began, with an unchanged set of arrangements still in place. Frankly, that position cannot be allowed to continue. The current scheme is unaffordable and unsustainable. It allows for payments of up to three times annual salary or, for older workers, enhancements to pension and lump sum payments costing more than five times salary. For some, those enhancements can total as much as six and two thirds times annual salary. That compares with a maximum of 30 weeks' pay under the statutory redundancy scheme, with a weekly cap on the salary allowable of £380, giving a total of about £11,000.

The level of payments under the current scheme would be excessive even if we were not facing such a difficult financial situation. The last Government left the country with, in the immortal words of their last Chief Secretary to the Treasury, "no money left". The Government are having to borrow a pound out of every four just to keep pensions paid and schools and hospitals functioning.

Dr John Pugh (Southport) (LD): The Minister has mentioned that the scheme was last revised in 1972, but did not that revision leave all previously accrued rights in place? Is he not doing something different now?

Mr Maude: The extent to which rights are accrued is an issue to consider. We are talking not strictly about redundancy but about compensation for loss of office under a statutory scheme, and the relevant rights are those in force at the time when redundancy or loss of office happens. If the statutory redundancy scheme changes, the terms that govern the entitlement are those in place at the time when the redundancy happens. I understand my hon. Friend's point, but I do not believe it applies in this case. I shall deal with that matter a little more in due course.

Our view is that to maintain the current scheme would be unfair as between taxpayers and civil servants and as between workers in the civil service and those in the private sector or the wider public sector. It is unfair also to less well-paid civil servants, which is related to exactly the point that the hon. Member for Birmingham, Selly Oak (Steve McCabe) made, with which I shall deal.

The effect of the current scheme is that it is prohibitively expensive to make redundant civil servants who are highly paid and long-serving. The result is therefore that when money has to be saved by reducing head count, the burden currently falls disproportionately on the lower-paid, more of whom lose their jobs than is necessary or desirable. My view is that lower-paid civil servants suffer disproportionately and are more likely to lose their jobs under the current scheme than would be the case under the arrangements that we are seeking to negotiate. In addition to the very simple cap incorporated in the Bill, we are seeking in parallel to negotiate different arrangements with significantly enhanced *protection for lower-paid civil servants.*

Steve McCabe: Let me say that I want to assume that the Minister's long-term intentions are exactly as he says, but is it not a fact that under the Bill he will penalise, to an extraordinary degree, the poorest paid people in the civil service? That is the effect of the measure that he is asking us to vote for today.

Mr Maude: No. The effect of the legislation will be identical on all civil servants. Under the Bill, the cap would apply uniformly to civil servants. I shall come in a moment to the negotiations that are going on in parallel, because that will deal exactly with the hon. Gentleman's point.

John Hemming (Birmingham, Yardley) (LD): Obviously we do not want to make civil servants redundant. Does the Bill not make it less likely that lower-paid civil servants will lose their jobs, so in 10 years' time they will still be employed within the civil service?

Mr Maude: My hon. Friend is exactly right and puts his finger on an important point. Because it is so disproportionately expensive under the current scheme to make redundant long-serving and high-paid civil servants, instead of one civil servant who earns 10 times the average—there are some—losing their job, 10 or more lower-paid civil servants might lose their jobs to save the same amount of money. We are seeking to address exactly that issue.

Mr Alan Reid (Argyll and Bute) (LD): I, too, was pleased to hear the Minister say that the Government want a scheme that will be better for the lower-paid, but the Bill does not differentiate the lower and higher paid. Will the Government seek to amend it to allow better compensation for the lower-paid?

Mr Maude: It is not my intention to propose amendments of that nature, because in our view such arrangements are difficult to engineer—this is tricky stuff—and are not amenable to incorporation in primary legislation. Such matters should be negotiated. It is precisely for that reason that we are engaged in a parallel process of negotiation with the Council of Civil Service Unions, which I shall talk a little about in a moment, because we are seeking to achieve two things.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): It is interesting to hear the Minister talking about parallel negotiations with the unions. Will he help me by explaining what negotiations, discussions or consultations there were with any of the civil service trade unions before the publication of the Bill?

Mr Maude: Negotiations were carried out by the previous Government over the 18 months before the order was laid, which, as I understand it, exhaustively explored all the options. I met the Council of Civil Service Unions before the election and immediately after. I have had several meetings with the council—at least two, I think—since, and I am proposing to meet the chairman later this week. There is a continual process of discussion and dialogue, which I regard as very important. I do not want the measure to be unilaterally imposed; I want a genuine consensual arrangement, whereby all six civil service unions agree to a new, sustainable and long-term scheme.

Richard Graham (Gloucester) (Con): As my right hon. Friend knows, I am a former civil servant. I am very conscious of the large numbers of low-paid civil servants in this country. He and other hon. Members will know that on average, the UK civil servant receives no more than £24,000 a year, so there are issues of fairness. I give him my full support in taking forward in his negotiations with the various trade unions every possibility of increasing the statutory minimum available for low-paid civil servants. That will fulfil exactly one of the major tasks for the Bill: greater fairness in the system.

Mr Maude: I can reassure my hon. Friend that that is exactly our aim. It is one of the great myths—I have sometimes heard this expounded even in this august House—that all civil servants are highly paid. That is simply not the case. As he says, the average pay of the civil servant is, I believe, around £23,000, and half of civil servants are paid £21,000 or less. In the pecking order, as it were, of the different sectors, average pay is highest in the wider public sector, private sector pay is next, and civil service pay is the lowest. So my concern for lower-paid civil servants is real and genuine, and it is based on a proper understanding of the concerns that exist.

Mr David Hamilton (Midlothian) (Lab): Is it not the case that many of the low-paid workers have accepted those low wages because of the conditions of employment, which included a pension scheme and superannuation scheme that meant something? To take that away from them takes away the very essence of why they are there.

Mr Maude: I hear what the hon. Gentleman says, and the fact is that in any employment the terms that apply are those that apply when an event happens. People get sick pay when they are sick; they get redundancy pay when they are made redundant. The statutory redundancy scheme, which has the force of law—as indeed this scheme does, as it is a statutory compensation scheme for loss of office—and the compensation to which people are entitled when they lose their office is that which is in force at the time. That is the view that the previous Government took, robustly, having considered—I presume—all the issues as carefully as we have done. So there is a strong view on both sides of the House that this scheme is unsustainable and unaffordable. Even in good circumstances it would be unaffordable, but in today's tragically difficult financial position—with the budget deficit that we inherited so out of control and high—it would be indefensible to allow it to remain unreformed, as a matter of fairness.

Stewart Hosie (Dundee East) (SNP): I was pleased when, a few moments ago, the Minister suggested that he did not want to impose this change unilaterally. Of course, that ties in with Mr Justice Sales's comments that that might not be possible without agreement anyway. How confident is the Minister that agreement will be reached, perhaps before this legislation completes its passage?

Mr Maude: All I can say is that it would be rash to make predictions. I can express the hope and aspiration that agreement will be reached. I stand ready to meet the Council of Civil Service Unions at any time, and my officials are engaged in genuine and sustained negotiations and discussions with the unions, which are continuing on an almost daily basis. I have to say that I was discouraged this morning when Mark Serwotka, the general secretary of PCS—a man for whom I have considerable respect—said, when asked whether he would challenge the result in the courts again, that he would do so. That does not bode well for a consensual outcome, and the fact is that five of the six unions had agreed the previous scheme, but the rug was pulled by one union, to the disbenefit of everyone concerned.

I have made it clear that I do not see this Bill as the last word. It remains our desire to reform the scheme by negotiated agreement, so there have been significant and continuing discussions. There are two key goals in the negotiations. The first is to deliver additional protection for lower-paid civil servants, and that has to be done by negotiation—

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): The Minister has said several times that he aims to protect the lower-paid, but I do not follow his argument. Under the current arrangements, someone who is earning £20,000 a year with 20 years' service in the civil service would receive £60,000 in compensation. Under the February 2010 deal, proposed by the Labour Government, that individual would have received £58,000 in compensation. Under the present proposals, that civil servant would receive £20,000 compensation. Conversely, someone who is higher paid—for example, £40,000 a year—would receive £120,000 compensation under the current arrangements, given that three years is the maximum payment. Under the February 2010 deal, that amount would have been £60,000 because that was the cap, and under the present proposals it would be £40,000. Can the Minister please explain how the lower-paid will be protected?

Mr Maude *rose—*

Mr Deputy Speaker: Order. Before the Minister replies, may I point out that interventions should be short, with quick questions?

Mr Maude: The answer to the hon. Gentleman is, as I have said several times already, that this Bill is not the last word and that the additional protection for lower-paid workers has to be done by agreement. I do not want to be in a position where we design as if in some laboratory a complicated scheme to try to give protection for the lower paid, because the right way to do it is by proper negotiations and discussions with the unions—and that is exactly what is going on at the moment. As I said, that is the principal aim of the—

Several hon. Members *rose*—

Mr Maude: I am besieged by suitors, but I will give way to my hon. Friend the Member for Ceredigion (Mr Williams).

Mr Mark Williams (Ceredigion) (LD): I am grateful to the Minister for giving way. I respect the sincerity with which he puts his case, and I also accept that the rightful place for the detailed discussions will be the negotiations with the unions. However, I think what the hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr McCann) is looking for—and I am, too—is a little more detail on, and justification for, those words that the Minister uttered about protecting lower-paid workers. The anxiety out there is real, and the Minister needs to address that a bit more, if he can.

Mr Maude: I am reluctant to start conducting those negotiations in public. It would be regarded by the unions, which I think are engaged in good faith in these discussions—certainly, all the indications are that they are engaged in good faith in these private discussions in order to achieve an agreed outcome—as bad faith were we to start to explore them here. All I would say at this stage is that we completely and genuinely understand the need for additional protection for lower-paid workers, of whom there are many in the civil service, and we will seek to achieve that.

John Hemming: Does the Minister agree that the difficulty is that the Government need to act and cannot allow one of six trade unions simply to veto all changes, and that if the Government are therefore to put something through, they need negotiating room to offer something better in the negotiations? Obviously, this Bill will not be as good as a final deal that could be agreed with the trade unions.

Mr Maude: That is completely right. My hon. Friend puts his finger precisely on the point. Our view is that one union cannot be allowed to prevent necessary reform of a scheme that is unsustainable and unaffordable—and, of course, that is precisely the view taken by the last Government. The order laid by the right hon. Member for Dulwich and West Norwood, which came into effect, I think, in April this year—before it was rapidly quashed by the judicial review sought by the Public and Commercial Services Union—was made on the basis that one union could not be allowed to hold up the necessary process of reform. However, I stress again that we seek genuinely to negotiate additional protection for the lower paid.

Mr Bernard Jenkin (Harwich and North Essex) (Con): I have been listening to these exchanges closely, but will the Minister tell me whether I have understood him correctly? Is he saying that, whatever special measures may be made for the lower paid, which he is not prepared to discuss now for the reasons he outlined, he has no intention of trying to impose them through legislation, and that they will be negotiated come what may, but that this legislation might become necessary in order to provide the framework for such a settlement? Is that correct?

Mr Maude: Indeed. I will say more about the relationship between the negotiations and the Bill in a little while. The aim would be to have a whole new negotiated scheme that would make this Bill redundant. Sadly, however, the experience of the last Government shows that it is impossible to place absolute reliance on the ability to achieve total consensus on that. Proper additional protection for the lower paid is a central part of our aim in the negotiations. I will say briefly as well that the other side of that coin should be a cap on payments for the highest paid. Again, it seems to us that basic fairness requires that.

Our second goal in the negotiations is to negotiate a higher cap for voluntary redundancy schemes. It is the essence of most redundancy schemes that there should be scope for voluntary redundancy terms to be more generous than those for compulsory redundancy. However, I would like to make it clear, if it needs to be made clear, that no one wants redundancies at all, but if they are unavoidable, which sadly I believe they will be—they were under the last Government, and in the current fiscal environment, they are even more likely—it will surely be much better to be able to offer more generous voluntary redundancy terms. That is simply impossible under the current scheme, because of its unaffordably generous terms.

We have made some progress in the talks, but they have not yet delivered an approach that is agreeable to all the unions involved and to the Government. If we can secure agreement with the civil service unions to introduce a comprehensive new scheme, we will implement that package rapidly. Until we reach that point, however, we would be failing in our duty to the tax-paying public—and to lower-paid workers outside the civil service who daily confront much less generous terms—if we were to allow the excesses of the current scheme to continue unchecked.

That is why we have introduced a Bill to limit the size of compensation payments. It has only two clauses, which cap the amounts payable under the current scheme. The first creates caps on the level of payment possible. Staff who depart on voluntary terms will receive payments calculated under the current terms, but limited to a maximum of 15 months' pay. For those leaving on being formally dismissed—effectively, compulsory redundancy—the limit will be 12 months' pay. Where the civil service compensation scheme terms provide for early retirement instead of or in addition to a severance payment, the total value of the package will be subjected to the same cap of 12 or 15 months' pay. In these cases, if the actuarially assessed cost of the total package exceeds the appropriate cap, the Bill provides that those individuals will instead receive 12 months' salary—or 15 months' salary in the case of voluntary departures—and no change to their pension entitlement.

Annette Brooke (Mid Dorset and North Poole) (LD): Could the Minister please explain the rationale for proposing these particular terms, which are so much worse than those that were almost agreed before?

Mr Maude: My hon. Friend says that those terms were "almost agreed", but that was far from being the case. In fact, one of the trade unions refused to agree to them, sought judicial review and had the agreement quashed. Given that one of the unions had refused to contemplate agreeing to the relatively modest—if we are honest—changes to the current scheme, it would be unrealistic to assume that we could then go back and say, "Oh, PCS, please feel completely differently, and

please execute a rapid volte face from your position of a few months ago." I take the view that the previous Government took, which is that the situation is not sustainable, and that one union cannot be allowed to stand in the way of necessary reform. That is why we have introduced the Bill, and why we are engaged in a concurrent process of negotiation, through which we genuinely want to achieve a long-term, sustainable settlement.

Mark Durkan (Foyle) (SDLP): The Minister has stressed that five unions—not the PCS—had agreed to the arrangements in February. How many of the unions are in agreement with the framework that will be imposed by the Bill?

Mr Maude: Just to be clear, we are seeking to negotiate a new scheme, which would effectively make the terms in the Bill redundant. I make no bones about this: the Bill is a bit of a blunt instrument. It does not seek to create an entire, comprehensive new scheme. It simply imposes a cap on the amounts payable under the current scheme, so that it will be possible for the scheme to operate in a way that is fair to the taxpayer and to workers in other sectors outside the civil service. This is a complex process, and no one should be surprised that there is not instant agreement on a comprehensive new scheme. We are seeking to negotiate all the terms, but particularly those relating to additional protection for lower-paid workers and to a cap on what can be paid to the highest-paid workers.

Lindsay Roy (Glenrothes) (Lab): Can the Minister explain the rationale behind giving preferential treatment to those who seek voluntary redundancy, as opposed to those who are forced to take a compulsory redundancy package?

Mr Maude: Almost by definition, if a compulsory scheme offered less work and better terms, no one would take up voluntary redundancy. Voluntary redundancy is better because it can be negotiated and a scheme can be fashioned to meet the precise circumstances of the employing organisation and the work force. It can be designed to be as sensitive as it can be to the particular needs of the situation. Obviously, if a compulsory scheme were more generous than a voluntary one, no one would ever take voluntary redundancy. It is of the essence of any redundancy scheme that voluntary terms should be capable of being more generous. That is why we framed the provision in this way and why part of what we are seeking to achieve in the negotiated comprehensive new scheme is to enable employers in the civil service to configure voluntary redundancy schemes that are more generous than the compulsory scheme.

Mr McCann: Will the right hon. Gentleman give way?

Mr Maude: I will, but then I will have to make some progress.

Mr McCann: I am grateful. Will the Minister confirm that if the negotiations with the civil service unions fail, he will impose the terms that are part of this Bill?

Mr Maude: If this Bill progresses through the House, achieves Royal Assent and goes on to the statute book, it will come into effect, so the cap will apply as of the day of commencement. As I said, I hope that we achieve something frankly more grown up, more sustainable and more long term by having an agreed long-term comprehensive settlement. If both Houses of Parliament agree that the Bill should be passed, however, it will come into effect.

Mr Nigel Dodds (Belfast North) (DUP): The Minister is generous in giving way. On numerous occasions, he has mentioned the issue of lower-paid civil servants. There is a great deal of anxiety out there about it and many of us have received representations in respect of it. How does he define "lower paid"? What is his definition of a lower-paid civil servant when it comes to these parallel negotiations?

Mr Maude: Well, that is one of the issues that is being negotiated. It can be defined in all sorts of different ways. It can be defined in terms of a proportion of the median salary or it can be defined by an absolute number, which would subsequently need to be updated from time to time. That is precisely one of the issues that is the subject of negotiations, and I hope we can make progress on it.

Several hon. Members *rose—*

Mr Maude: I really have to make some progress and draw to a conclusion because Members of all parties wish to participate in the debate.

I emphasise that if the Bill comes into effect, it will affect only those staff issued with a notice of dismissal or in respect of whom a departure date was agreed after the legislation came into effect. Any civil servant already issued with a redundancy notice or who receives one before the Bill passes into law will not be affected by the restrictions it introduces. The first clause provides definitions to clarify who is covered by the compulsory cap and who is covered by the cap on voluntary departures. The second clause provides for the Bill's effects to be time-limited. I stress again that we have no desire to see this legislation continue any longer than is absolutely necessary. The inclusion of a sunset provision prevents the legislation from continuing ever onwards. Instead, if we wish to renew it, the Government will be obliged to return to the House to seek approval by an affirmative resolution.

Alongside the provision for prolonging the effects of clause 1, there is also the option to bring forward the termination date. As I have already said, my intention is absolutely to resolve the issue by discussion and negotiation rather than by legislation, and I look forward to making the order that will repeal section 1 of the Act. It was disappointing, as I said earlier this morning, to hear Mark Serwotka, the general secretary of the PCS, pledge to return to the law courts to try to thwart further reform. That bodes ill for the chances of an agreed settlement, but we will strive—we will genuinely strive—to achieve that agreement. It is essential to deliver additional protection, which, I stress, is especially directed at members of Mr Serwotka's own union. For the sake of his own members, as well as in the national interest and the interest of the taxpayer, I urge him to engage in the negotiations as wholeheartedly as the other five civil service trade unions.

[Mr Maude]

I earnestly hope that a successful negotiation will render the Bill a dead letter before it even hits the statute book. That is my aim, and I will do all that I can to deliver it. In the meantime, however, the Bill is indispensable, and I commend it to the House.

5.50 pm

Tessa Jowell (Dulwich and West Norwood) (Lab): I beg to move an amendment, to leave out from "That" to the end of the Question and add:

"this House, whilst affirming belief that civil service compensation should be reformed, declines to give a Second Reading to the Superannuation Bill because it provides inadequate protection for some of the lowest paid and longest serving public sector workers; believes that the reform proposals of February 2010 were fair, reasonable and non-age discriminatory, offering protection for the lowest paid workers whilst making substantial savings; and is strongly of the opinion that the publication of such a Bill should have been preceded by a full process of pre-legislative scrutiny of a draft Bill and in full consultation with Civil Service employees."

I hope that the Minister has studied the amendment closely, because Labour Members believe that it holds the answers he seeks.

At the end of the last parliamentary session, the day before the Bill was published, the Minister declared that when it came to reform of civil service compensation, he wanted to negotiate an arrangement that had fairness built into it. Obviously we welcome that ambition, but we argue that as the negotiations have progressed and the detail of the Bill has become clear, he has failed to live up to his commitment.

The Minister says that he wants a fair settlement, but he has proposed reforms that are harsh, and harshest of all for some of the longest-serving, often low-paid, civil servants. The Minister says that he wants a negotiated settlement, but he has thrown out the progress made by the last Government through just such negotiations, and instead seeks to impose a short-term solution which lacks the legitimacy that comes from open and honest dialogue with the trade unions representing the people who will be affected by the reforms.

I welcome the Minister's generous remarks, which were sincerely meant, about our nation's public servants. I join him in recognising the important role that they play in our national life. However, I also argue that they deserve better than the proposals in the Bill. Public servants are too often represented as dead-weight on the taxpayer, as if they were somehow the cause of the deficit.

Mr Maude: No, we entirely blame you.

Tessa Jowell: That is also misguided, and we can have a further debate about it.

In fact, it is public servants who make our borders safe, help unemployed people back to work, run our courts and prisons, collect our taxes, and support our armed forces both at home and abroad, in Iraq and Afghanistan. With professionalism and integrity, they make the process of government work. The representations that I suspect we have all received in our constituency surgeries seek to make that point. It is being made by the people who provide those services, many of whom are members of the PCS but feel that their motives and their importance are being misrepresented.

Mr Maude: Let me make it absolutely clear that we do not blame public servants at all for the disgraceful budget deficit that the coalition Government inherited. Like Tony Blair, we blame the last Prime Minister, who as Chancellor and then as Prime Minister presided over an incontinent approach to the public finances.

Tessa Jowell: And let me make it absolutely clear that the Minister has grossly misrepresented the words of the former Prime Minister. Let me also remind him that the deficit arose because of a global financial crisis, and that it was our Government—led by the last Labour Prime Minister—who steered our economy at that stage, who, indeed, *provided leadership for the world, and* who drew our economy back from the brink of disaster. Let us have no more trivial point-scoring on that subject. I hope that during this debate we shall be able to move on from some of the crass misrepresentation of our country's public servants and once more recognise the importance of their work, both public and private.

Richard Graham: As the right hon. Lady knows, a number of Members on this side of the House, as former civil servants, have already said how important they believe the civil service to be. The amendment, however, focuses on fairness and affordability. Does the right hon. Lady agree that affordability is critical in the current economic climate, and will she tell the House what approach she intends to take? As for fairness, does she agree that the outline given by my right hon. Friend the Minister of his negotiations with the trade unions represents exactly the sort of fair approach that we should be seeking?

Tessa Jowell: I intend to test the Minister's commitment to fairness—with respect, I think that he asked more questions than he answered—and, if the hon. Member for Gloucester (Richard Graham) will contain his impatience, I shall respond to both his tests in relation to the fairness and the affordability of our alternative.

The Minister has made it clear that the civil service compensation scheme is in need of reform, and we agree. The cost of the scheme needs to be reduced. We fully recognise that, in the present climate, it provides over-generous and disproportionate benefits for some very highly paid people. I believe we are all agreed on the need for reform, which is why in February we set out changes to end what would be regarded by the wider public, and by any measure, as over-generous settlements.

The February 2010 scheme would have saved £500 million over the next three years. That was part of our Government's plan to reduce the deficit. Yes, reform is needed, but it must be the right reform, delivered in the right way. It must be fair and workable, and in particular—here I echo the Minister's words—it must provide protection for the lowest-paid. It must also be underpinned by open and honest dialogue with the civil service unions representing those who are likely to be affected.

Martin Horwood (Cheltenham) (LD): The right hon. Lady keeps presenting the last Government as the Government who pursued a path of negotiation and what she has just described as open dialogue. In February this year, however, she too pursued the route of compulsion. Does she now regret the precedent that that set?

Tessa Jowell: There is all the difference in the world between a settlement that recognises reasonably the proper expectation of the lowest-paid, and the proposals in the Bill. That is the difference that the hon. Gentleman needs to understand.

John Hemming: Will the right hon. Lady give way?

Tessa Jowell: I am going to make a bit of progress.

In the current environment in which many civil servants are understandably concerned about their jobs, it is even more important for any reform package to be achieved in full consultation and, wherever possible, agreement with the work force. As a result of the Equality Act 2010, which formed such an important part of the last Government's legislative programme, the Bill is subject to an equality impact assessment, which I took the time to study.

Against the commitments to full consultation and transparent negotiation, we might look at some of the evidence in the equality impact assessment. It asks:

"Does this policy affect the experiences of staff? How? What are their concerns?"

For staff, the following answer is given:

"Exit terms are set out in Civil Service Compensation Scheme, to be capped at levels set out in the Bill."

That is a perfectly fair statement of fact. The impact assessment then asks whether the policy affects the experiences of staff networks and associations. The answer given is: "As above"—for staff—but also:

"(no consultation due to urgent need for affordable provisions)."

The answer for trade unions is the same:

"As above (but no consultation due to urgent need for affordable provisions)."

When the equality impact assessment looks at the impact on voluntary organisations, the conclusion is that that is "N/A"—not applicable. The impact on race is also deemed not applicable, as are the impacts on faith, disability rights, gender, sexual orientation and age. The impact assessment also asks:

"What were the main findings of the engagement exercise and what weight should they carry?"

That, too, is said to be not applicable.

"Does this policy have the potential to cause unlawful direct or indirect discrimination? Does this policy have the potential to exclude certain groups of people from obtaining services, or limit their participation in any aspect of public life?"

That is not applicable as well.

"How does the policy promote equality of opportunity?"

That is not applicable also. I could go on.

That is not by any stretch of the imagination a proper assessment of the impact of the proposals on the work force, taking account of the obligations that sit on the coalition Government to recognise equality of opportunity.

Mr Jenkin: I am interested in what the right hon. Lady is saying, but I think it is incumbent on her to explain to the House why she thinks the Bill might be discriminatory in some way, rather than just advert to a negative and say that that is not good enough. Does she honestly believe that the measures could be discriminatory in some way? If she could explain that to the House, it would be very helpful.

Tessa Jowell: The hon. Gentleman asks a fair question, but it is his responsibility to test that. However, because compared with the existing situation these proposals in effect levy the greatest penalty on the longest-serving, and almost inevitably the oldest, civil servants, there is at least a prima facie case for considering whether they are age discriminatory. I draw no conclusions, but I say to the House that I consider that the equality impact assessment has not taken full account of the impact of the proposed measures across the work force. The Opposition consider the terms put forward to be both unfair and punitive.

John Hemming: The right hon. Lady often uses the word "unfair". I assume that she employs her own staff in her parliamentary office and that they are subject to the statutory scheme, with a maximum of 30 weeks' pay. How does she argue that that, which was set by Parliament, is fair compared with the scheme the Government proposed in February this year?

Tessa Jowell: For the very simple reason that, in order to meet the terms of the judicial review, the proposals in the Bill are removing entitlements, expectations and accrued rights from staff who have a reasonable expectation of receiving them. That is why they are unfair.

John Hemming: Will the right hon. Lady give way?

Tessa Jowell: No, I am going to make progress because many Members wish to speak in the debate.

We argue that no adequate protection is offered to the lowest-paid, with a junior official in a job centre receiving no more protection than a permanent secretary of a Government Department. In introducing the Bill, the Government have insufficiently consulted their employees. The scant information in the equality statement makes that very clear.

Alison McGovern (Wirral South) (Lab): Does my right hon. Friend agree that the fear, which I have come across in my constituency, about these changes is exacerbated by what seems to be scant consultation? Having more consultation would be helpful in dealing with the worry and fear that I have picked up on in Wirral.

Tessa Jowell: My hon. Friend makes an important point based on extensive discussions in her constituency with civil servants likely to be affected. She is absolutely right in identifying that fear, but that does not mean that change is not necessary, nor that members of the Council of Civil Service Unions are not reasonable people who are prepared to negotiate in the spirit that they recognise is necessary.

Richard Graham: Will the right hon. Lady give way?

Tessa Jowell: No, I am going to make some progress—and I think that the hon. Gentleman has already made an intervention.

The very fact that the Bill is designed to expire within 12 months makes its own case for its unworkability as a long-term solution. Instead the Bill is being deliberately used to force the trade unions into compliance. As such it should be seen as a very unusual use of parliamentary

[Tessa Jowell]

procedure to ask Parliament to pass legislation that—as the Minister has made clear—it is hoped will not be implemented.

The Deputy Prime Minister has stated—presumably on behalf of the Government—that fairness will be at the heart of everything the Government do. However, as with so much that the coalition does, the terms put forward under the Bill do not meet the first basic test: they are not fair because some of our longest-serving, and often lowest-paid, civil servants receive no protection under the proposals.

Mr David Hamilton: Did the Minister not give it away when he made the point in his opening remarks that it is more expensive to get rid of those at the top of the tree, and therefore there would be an encouragement to get rid of those at the bottom of the tree? Will not low-paid civil servants be really concerned by the attitude now being taken?

Tessa Jowell: I think that those at the higher earnings end and those at the lower earnings end are equally entitled to be apprehensive about the proposals.

Mr Maude: Let me make it absolutely clear that the point I was making is that, under the current scheme, lower-paid people are more likely to lose their jobs because it is so prohibitively expensive to make higher-paid, longer-serving senior officials redundant. As a result, more lower-paid civil servants get made redundant. The reform is therefore necessary for this reason alone: to protect the jobs of lower-paid workers.

Tessa Jowell: Well, let us see how that commitment plays out in practice. I entirely agree with the right hon. Gentleman that the people who work in job centres and at our borders often doing relatively low-paid jobs are the people who make those services happen at all, and I think there would be a marked degree of cross-party agreement about ensuring fairness and protection for such employees. We on the Opposition Benches, however, feel considerable scepticism about whether the proposals will deliver that.

Let me illustrate that and pick up on the point made by my hon. Friend the Member for Midlothian (Mr Hamilton). A member of staff earning less than £20,000 made compulsorily redundant after more than 20 years' service would see their redundancy package more than halved under the provisions of the Bill, and staff covered by the civil service compensation scheme would receive substantially less in redundancy terms than comparable public sector employees, despite being among the lowest-paid public servants. The proposed cap is half that often seen in local government, education and the NHS.

On the question of protection for the lowest-paid, let me repeat the words used by the Minister in the House in July—he was right about this:

> "Contrary to general belief, large numbers of civil servants are not very well paid—half of them earn £21,000 a year or less—and we want there to be extra protection for them."—[*Official Report*, 14 July 2010; Vol. 513, c. 931-32.]

So say all of us, but the fact is that the Bill gives no confidence to those lower-paid employees.

Matthew Hancock (West Suffolk) (Con): The right hon. Lady made the comparison between civil service and other public sector redundancy packages. Can she also make a comparison between civil service and private sector mandatory redundancy packages?

Tessa Jowell: I am surprised that the hon. Gentleman feels it necessary to ask that question. If employers in the private sector use the basic statutory scheme, it is considerably less generous than even the proposals in the Bill. In a way, that is not the point, because the value that we attach to public servants, to the importance of the jobs that they do and to the commitment to invest in security to prevent turnover and to compensate for what are often lower levels of pay is one of the reasons that such provisions have traditionally tended to be more generous. It is worth reminding the hon. Gentleman—the Minister took us through the history—that the scheme was created by a Conservative Government and amended by a Conservative Government and that attempts at reform were made under a Labour Government. Now, under the coalition Government, we have what amounts to a hollowed out version of the original scheme.

Richard Graham: Will the right hon. Lady give way?

Nick de Bois (Enfield North) (Con): Will the right hon. Lady give way?

Tessa Jowell: No, I am going to make some progress so that Back-Bench Members can get in.

We expect the Government to take seriously the need for proper dialogue and negotiation in circumstances where the individual impact of the changes is so substantial. It is fair to reflect disappointment among the trade unions that the Bill makes no attempt to put in place a long-term solution to the big challenge of the reform of civil service compensation and, as such, no solution is possible given the Government's failure to engage constructively with their employees and their representatives. That is implicit in the Bill's final provisions, which are designed to ensure that it is sunsetted, or expires within 12 months, can be repealed at any time and can only be extended for a further six months through recourse to secondary legislation.

The Bill to which the House is being asked to give a Second Reading tonight does not even represent the Government's settled position. The Minister tells us that his ambition is now a negotiated, sustainable and practical long-term solution, but that ambition merely serves to remind us that the Bill fails to provide such a sustainable solution or one that has been subject to proper dialogue with those affected.

There are questions that the coalition Government and the right hon. Gentleman must answer. The Opposition have made absolutely clear the anticipated level of savings—figures in which there can be confidence—that would have been produced by the February reform package, so I ask the right hon. Gentleman what savings the Government expect to make from the proposals in the Bill. Why do we not have a complete and workable scheme in front of the House as part of the Bill for which a Second Reading is sought? Why are we spending parliamentary time on legislation that simply seeks to provide the right hon. Gentleman with a negotiating tool to use with the civil service unions?

There is, of course, an alternative. It is fair and it is workable. As shown in our reasoned amendment, the February 2010 scheme should form the basis for the reform that we all agree is needed. As the right hon. Gentleman has made clear, it emerged from an eight-month consultation between the Government and civil service staff and would provide a fair resolution to the issue. Now, although five trade unions have agreed and continue to support the proposal, all six have expressed their support for the use of the principles underpinning the scheme as a basis for moving forward. That is an invitation and an offer to the right hon. Gentleman. Such an approach would meet the tests that we have set out for reform and save at least £500 million over the next three years.

Our challenge to the Minister is to put back on the table the February 2010 proposals, which are fair to the lowest-paid, will contribute £500 million to reducing the deficit and will reform the existing scheme. The right hon. Gentleman has already conceded in exchanges with my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins) that, had all the unions agreed to this, there would have been—as he put it—a pressing case for acceptance. We therefore ask that he accepts the case now and supports the reasoned amendment. I call on the House to reject the Bill.

6.17 pm

Alun Cairns (Vale of Glamorgan) (Con): Like every Member of this House, I have received significant communications and representations from individuals and from the unions on this matter. Many of us will have significant numbers of public sector employees in our constituencies. I would say that Wales as a whole has a disproportionate dependence on public sector employees—quite obviously, including employees of the civil service—and the Vale of Glamorgan is no different.

It is quite sad for all those individuals and for the House that we are in this position today. The financial state of the nation has led us to this position. The unrealistic position taken by the unions has driven the Minister to introduce such a Bill, sadly without complete settlement with the unions. I was encouraged by some of the statements that he made about the negotiations and I shall come back to them a little later.

It is difficult to believe some of the payments that are made under the current system. In 2007-08, the Department of Health, in 76 individual cases, paid severance compensation of more than £7.8 million—an average of more than £102,000 per employee. I wonder how many of those who were made redundant or who took voluntary redundancy were then re-employed by the Department of Health as consultants, which would obviously have increased the costs to the public purse. In the Department for Environment, Food and Rural Affairs, there are two examples: in one, compensation in excess of £500,000 was paid and, in the other, compensation in excess of £1 million was paid. That position clearly cannot continue and is wholly unreasonable not only to those in the civil service who are paid at lower levels but to the taxpayer who must ultimately foot the bill.

When I discussed those levels of payments with some of the constituents who got in touch with me expressing concern about their own interests, they showed equal disdain towards the levels of compensation that are paid, and they would recognise the absolute need for reform. Such levels of severance paid at the higher level simply cannot continue. It is a burden on the taxpayer and, as has been highlighted, is prohibitive to the reform of the public sector when the taxpayer really needs every efficiency measure to be driven through. Not only is it prohibitive in terms of the level of payments and the high cost of making many of these individuals redundant, but it is prohibitive and damning for people at the lower levels who will have to be made redundant when those at the higher levels cannot be laid off because it would be unaffordable, even when many of their roles have become redundant as a result of the evolution of the Department or because of new technology. The Bill goes further than the previous proposals, but as the financial situation of the country is much worse than was previously stated, the bill must be affordable, and that imperative has obviously influenced my right hon. Friend the Minister in introducing the Bill in such a form.

I do have concerns about the effect on civil servants at lower levels of the pay bands, and we need to recognise their interests. I was encouraged by my right hon. Friend, who highlighted his concerns and the need for negotiations. I would look to the trade unions, particularly the PCS Union, to see that statement in a positive light and negotiate, in the interests of those at the lower levels, a settlement that is in the interests of the whole of the civil service and, obviously, of the taxpayer.

In research and when chatting to constituents, it was highlighted to me that at the Department for Work and Pensions, someone who is at the maximum of the lowest pay band—band B—earns between £15,000 and £18,000. To put that in perspective, a fraud officer—an individual who we expect and hope would save some money for the taxpayer over the coming years—is a band C. That demonstrates how much responsibility can reside at the lower levels of some civil service pay bands. Currently, if made compulsorily redundant, such an officer would receive three times their salary if they were older than 42 and had more than 20 years' service. Before the court judgment, the intention was to provide such officers with the equivalent of two years' service, and now it is to provide one year's salary in compensation.

I am encouraged by my right hon. Friend's statements to the effect that he is interested in negotiating at this level. I recognise the difficulties in sharing some of those concerns with the House, because it is obviously not the place to negotiate with Ministers, but I ask him, in the summing-up, to go as far as he can in sharing the objectives that he would like to achieve in the interests of people at the lower levels of the salary and responsibility grades.

I would advise the right hon. Member for Dulwich and West Norwood (Tessa Jowell), who was asked a question about the average for private sector redundancy pay, that it is in the region of £9,000, which we should recognise is less than is being offered, and in the affordability debate we need to recognise the generosity of that.

Interestingly, the 2009 civil service statistics show that 36% of civil servants earn less than £20,000 and 58% less than £25,000. Clearly, there is a need for some sort of protection at the lower levels. The Government have taken positive steps—when they formulated their policy on the pay freeze, they protected those at the bottom end of the scale, and I think that principle should carry through to this Bill and to the negotiations that my right hon. Friend is undertaking.

Mark Durkan: The hon. Member will recall that, when the Minister was asked to say at what level he thought people were low paid, he said he could not say. It would not be for him to say—it would be almost impertinent to suggest that outside the negotiations—but the hon. Member has rightly recalled that the coalition Government had no problem deciding that £21,000 was the threshold at which people should be protected from the pay freeze.

Alun Cairns: I have no doubt that that would be part of the negotiations, but I wholly accept the point that my right hon. Friend has made that one does not start negotiations at the point where one expects to finish, bearing in mind the actions that the PCS Union and some of the other unions involved have taken to date. However, the point about the £21,000 threshold that the hon. Gentleman highlighted demonstrates the compassion and support shown by the Government, and I have absolutely no doubt that that compassion and support can and will be shown towards civil servants in the negotiations that are led by my right hon. Friend.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Considering that there are ongoing negotiations, does not the hon. Gentleman agree that the Government are using the Bill effectively as a battering stick to coerce the unions during those negotiations?

Alun Cairns: I am grateful to the hon. Gentleman for the question, but I think the Government have been left in an extremely difficult situation—a sad situation, as I highlighted—from the outset. We have such a large deficit. A decision is needed on this question, particularly given the reforms and cuts that are likely to follow the comprehensive spending review, so I look positively at the action that my right hon. Friend is taking to resolve that position to bring certainty to those people whom I have rightly sought to champion.

6.26 pm

John McDonnell (Hayes and Harlington) (Lab): I chair the PCS parliamentary group. It is a cross-party group that was formed a number of years ago, and several Members of Parliament on both sides of the Chamber tonight are members of it. I think it has been helpful for Members of Parliament to gain a knowledge, through the union, of what the union's members undertake, how they effect their work and the role that they play.

PCS represents the largest number of civil servants, and certainly the largest number affected by the compensation scheme, and I want to add my name to the compliments that have been paid today, across the Chamber, with regard to civil servants and the role that they play. It is an admirable tradition, serving Governments of all political colours, with commitment and dedication that is second to none across the globe. It is slightly ironic that we praise them now, and yet, by the looks of it, in a month's time we are going to lay off and make redundant the largest number of civil servants ever in our history, as a consequence of the comprehensive spending review. Anyway, we are all committed to the existence of a civil service that implements the policies of a directly elected Government.

There are certain measures that Governments introduce that can be described as land mine Bills. Judging by the type of the legislation or their subject matter, they might appear relatively innocuous at first, but they are political land mines that can permanently damage and taint an Administration. I think the art of good governance is to identify—perhaps from bitter experience—the potential disasters, those land mines, and avoid them. This Bill is a political land mine. It is potentially extremely potent and it is an explosive issue. I think it is potentially disastrous for this Government and I think, coming at it as an ex-bureaucrat myself, that it will undermine their ability to implement their overall programme. Why? Well, many Members have commented that they have discussed with constituents and civil servants and they have received representations, so many Members will share the feeling that I have. I think morale is being affected by this legislation and the way in which it is being handled. I think morale at the moment in the civil service is at an all-time low as a result.

The Government have been democratically elected and have the right to implement their policy programme, but every manager, whether in the public or the private sector, needs not only resources and clear objectives but a committed, dedicated and motivated staff. The imposition of the Bill is undermining that morale, that commitment, that dedication, that we so need among the work force.

There is a depth of feeling about the unfair way in which people are being treated in the civil service. I have met many PCS members, including many who are my constituents, and there is resentment of the Government's political action on this issue. The most common response that I—and, I am sure, other Members—have met is the simple statement, "We didn't cause this economic crisis, but we're having to pay for it with our jobs and with cuts in our conditions of service, and this is the latest round of those cuts." There is a real, palpable sense of grievance, particularly as the bankers who did cause the crisis are not just back in position, but have, in some cases, been appointed to higher positions. Some have even been appointed to ministerial positions in recent weeks. Bankers are coming back for their obscene bonuses and obscene pay. There does not seem to be any equity or equivalence of suffering. There is a feeling among civil servants that we are not all in this together.

Sajid Javid (Bromsgrove) (Con): The hon. Gentleman will know that the budget deficit that this Government inherited from the previous Government is £155 billion, but even the structural deficit, which was there before the economic crisis commenced, was £128 billion. The country was already living way beyond its means. That is why his Government tried to make changes to the scheme, and it is a reason why we need to do so. It is no good trying to blame the problem on a particular profession. If he is going to pick a profession to blame it on, he should pick the political class represented in the previous Government.

John McDonnell: The hon. Gentleman came to the House at the last election, so he may not know that I was probably not the most vociferous supporter of the economic policies of the previous Government. I was a critic, and if he looks at the alternative Budgets that I provided annually—which this House rejected, but never mind—he will see that there would have been no deficit if I had implemented them. There would have been a redistribution of wealth and an increase in taxation, which would have enabled us to afford the public expenditure that our society requires.

I am not a Keynesian; I am a Marxist—*[Laughter.]* Well, it is interesting how true some of the predictions in "Das Kapital" are coming. Even if one takes a Keynesian position, the last thing one would do at this point in time is reduce aggregate demand and cut jobs, wages and conditions of service. It flies in the face of reality to lay off large numbers of civil servants, and then cut the income and compensation arrangements that they receive. Anyway, Mr Deputy Speaker would rule us out of order if we went into another economic diatribe.

John Hemming: The hon. Gentleman appears to be arguing, relatively coherently, for no change whatever to the terms and conditions of public servants. Is that what he is arguing, or is he arguing that some change is reasonable? If so, what change would be reasonable?

John McDonnell: I recognise that a range of negotiations need to take place. In the last set of negotiations with the previous Government, there were various issues to do with changes tackling age discrimination in particular. My view—we have to come on to the reality of the negotiations that will have to take place—is that we can create a climate of opinion in this House and elsewhere that will enable those negotiations to come to fruition, and that we should protect the lowest paid, in particular, as best we can. That has been the commonly voiced demand in the Chamber today.

John Hemming: Does the hon. Gentleman agree that the best way to protect the low paid is to protect them from redundancy?

John McDonnell: Yes, and that is why I have consistently put forward alternative economic policies and strategies.

Let me press on, if I may. This is a serious debate, and I am trying to get across the feelings expressed to me through the PCS parliamentary group. As I say, I have met PCS members, I have attended meetings of the executive, I have been on picket lines, and I have been at various meetings around the country. There is anger about the proposals in the Bill—I shall come on to that—but also about the way in which the issue has been handled by Ministers.

In interview after interview, and even in the Chamber today, Ministers and Government Members have focused, in their descriptions of the compensation scheme, on payments to the highest-paid civil servants; it has almost been a portrayal of "Yes Minister"-type permanent secretaries, retiring to their Whitehall clubs on large-scale pay-offs. There are some individual examples of that, and they have been quoted today, but PCS is one of the leading unions that has pointed out that issues around high pay within the civil service have undermined the equitable distribution of rewards in the public sector.

Time and again, including today, we have had repeated the example of some civil servants receiving up to six years' wages as a redundancy settlement. Let us get this point on the record as best we can: if I may refer Members to the Library note, of 500,000 civil servants, only 4,400 are in the senior civil service. The maximum compensation for most is capped at three years' pay under the compulsory scheme, and two years' pay under the flexible, voluntary scheme. For a small number of people who joined the service before 1987 with reserved rights regarding severance payments, payments are higher.

Ministers were asked by the Public Accounts Committee and, I believe, in parliamentary questions on the Chamber Floor, for information on the number of individuals currently getting a package worth six years' salary. We were told that the information was unavailable because it could be provided only—there is a sense of irony here—at disproportionate cost. The six-year allegation is consistently used, even today. I would welcome some facts on how many people we are talking about and what the costs are.

Martin Horwood: Perhaps I could be of assistance to the hon. Gentleman. One of my constituents, a civil servant, calculated that to qualify for that six-year maximum, one would have had to have joined the civil service just after one's 17th birthday and have been made redundant just before one's 50th. I suspect that we are talking about a very small number.

John McDonnell: Would it not have been useful, though, if we actually had the number so that we could have a properly informed debate, rather than allegation, counter-allegation and, almost, smear?

Ministers were also asked how much public expenditure the imposed scheme would save—my right hon. Friend the Member for Dulwich and West Norwood (Tessa Jowell) on the Front Bench raised the issue again today—but that information has not been forthcoming. The Secretary of State has said that the amount is impossible to calculate. I have been there; I have advised decision makers—and in the private sector it is exactly the same—and when one is entering a redundancy situation, one does a rough, or even a back-of-an-envelope, calculation of the numbers one is looking to lose, the amounts, the average rates of pay, the distribution of the rates of pay across the service, and therefore roughly what the cost would be. That is not too much to ask before we make a momentous decision on this legislation. In fact, the Public Accounts Committee raised the issue again in July, and the Minister refused to respond.

I deal now with the myth of the highly paid civil service. Some people have already mentioned the subject today, but it is important that we get the point on the record. Even though this has been denied today, it has been part of the Government's strategy to promulgate the myth of a highly paid civil service.

Kwasi Kwarteng (Spelthorne) (Con): I am unclear about the hon. Gentleman's position on the status quo. Does he believe that the system is sustainable at current levels, given the economic climate?

John McDonnell: I believe that people who are made redundant should be properly compensated and, yes, I believe that the system put forward by the last Government was certainly affordable. I actually believe that the mechanism previous to that is still affordable. However, I accept that there was a need for reform. That is what the unions were negotiating on. It was not the PCS's fault that the last scheme fell apart; the Government ruled that the process by which it was introduced was unlawful—it is as simple as that.

Let me return to the myth of a highly paid civil service that is promulgated, if not today, certainly elsewhere, including by the media. Yes, there are some highly paid civil servants, and we have dealt with that today. The

[John McDonnell]

unions themselves are at the forefront of highlighting the need to tackle high pay and bonuses. However, as had been said, the average civil service pay on which redundancy payments are based is £22,850 a year, compared with £24,970 in the private sector. There are 35,000 civil servants who earn less than £15,000 a year. Some 210,000 people—40% of the civil service—are paid £20,000; 350,000, less than £25,000. The bulk of our civil servants are on low or relatively modest pay.

The other tactic that is used—and it has been paraded again today by Ministers and Members in the debate—is a justification of the attack on the compensation scheme by divide and rule, playing public sector workers off against private sector workers. The Government have argued that many people in the private sector receive only statutory minimum redundancy payments or low-level additional scheme payments, but the reality is that most private sector workers are covered by some form of additional scheme, and are usually protected by its being written into their contract of employment. The fact that the level of many of those compensation payments is disgracefully low in some parts of the private sector is no justification whatsoever for undermining standards in the public sector. It is an argument for raising levels and standards in the private sector, even in these economic times.

The argument that when civil servants take on their job they weigh up the merits of going into the public or private sector has been made today. Wages in the public sector are lower, but the benefits are better, and usually more secure—that is the calculation that is made. If we compare civil service grades with jobs in the private sector, we can see that admin officers in the civil service earn 21% less than people in comparable jobs in the private sector.

Sajid Javid: I thank the hon. Gentleman for giving way to me again. The latest report by the Office for National Statistics in 2009 stated that the median weekly salary in the public sector was about £540 versus £470 in the private sector.

John McDonnell: I shall refer the hon. Gentleman to the figures, so we can base the debate on them. I repeat: average civil service pay is £22,850 a year compared with £24,970 in the private sector.

Sajid Javid: The hon. Gentleman might want to pick up the report from the House of Commons Library which contains the exact numbers: £539 a week in the public sector versus £465 in the private sector.

John McDonnell: I will not quote the figures again, but I refer the hon. Gentleman to the income data survey. I am happy to provide him with a PCS briefing that sets out the figures. *[Interruption.]* Well, the briefing is based on information independently issued by the income data survey.

In the executive grades, supervisors in the public sector—people with vocational qualifications—earn 18% less than supervisors in the private sector. The decision to go into the public sector, as I have said, is based on a judgment in the round about security, benefits, pensions and, yes, redundancy payments, which are described as accrued benefits that people earn over time. They are part of their wages. What is happening today is a Government unilaterally tearing up the contract that was entered into when many of these civil servants entered employment. I think that that will be open to challenge on the grounds of human rights compliance. Inevitably, members not just of the PCS but of other unions will wish to exercise their rights in law. What is happening is the worst of all worlds for civil servants.

Andrew Bridgen (North West Leicestershire) (Con): Does the hon. Gentleman believe that it is fair or affordable in the current economic situation for anyone to be given six years' pay as redundancy pay?

John McDonnell: Perhaps the hon. Gentleman was not listening. The period of six years has been used time and again to justify the measure. A tiny number of cases are involved, but we would like the exact number. If he can help us to extract that information from his own Ministers, that would be useful.

The vast bulk of civil servants who have been made redundant have been laid off on conditions of no more than three years' pay, and the majority of them on considerably less. Under the terms of this measure, that will be reduced by two thirds. It is not about the tiny minority who receive six years' pay, but about the vast majority who will lose up to two thirds of their payment.

Matthew Hancock *rose—*

John McDonnell: I will press on, and give way to the hon. Gentleman shortly.

The position now is the worst of all worlds for civil servants, who are facing a double whammy. They enter a service in which they are paid less than the private sector, but at least they receive some benefits as a result of the security of pension and redundancy payments and so on, but their redundancy payments are to be cut while at the same time their pay is frozen or cut.

There is no protection in the Bill for the low-paid—we all agree about that. Members have appealed for details, but the ministerial response is that this is not the place to begin negotiations. The Bill begins negotiations, and it is a negotiating ploy. The Minister could at least set out the parameters or the options available to protect the low-paid. The argument goes that that will be negotiated with the unions in separate negotiations, but do Members of Parliament not have an additional responsibility to represent the interests of their constituents? When hon. Members vote on the Bill, they need security of information to protect their constituents' interests. They need to know in more detail how their low-paid constituents will be protected as a result of the legislation. However no fragment of information has been given, nor have parameters been set by the ministerial words we have heard today.

When we deal with legislation of this sort, we need to consider the impact on people's lives. The worst feature of the Bill is the Government's almost brutal disregard of the human consequences. Tens of thousands of civil servants are likely to lose their job in the coming years. In the economic crisis, even if there is no double-dip recession, and we just rattle along the bottom for the next three years, most of those people will struggle to get back into work at all or find work offering similar

wages. If we look at previous recessions, particularly for older workers, we can see that some of them never work again. We must recognise the devastating impact that that will have on individuals and families.

Most people in this country lack savings. Various reports by citizens advice bureaux show that even people in work lack savings beyond a month's salary or wages. Most people have enough for only two months' mortgage payments, so are close to default. Reducing redundancy payments in this way undermines people's ability to survive the devastating impact of losing their job. It also undermines their ability to get back into work in many instances, because it is a costly exercise to travel around the country looking for work. The measure will introduce poverty and stress, and put pressure on people who have lost their job. The irony is that whatever savings are found will be significantly reduced by the benefits that we pay out. Many of the people we employ to administer unemployment benefits will receive those benefits themselves as a result of cuts in public expenditure.

Many of the PCS members I meet are desperate as a result of the anxieties engendered by the Bill, and they are becoming angry. When people perceive that an injustice has been done to them, they react. Boiling point has been reached as a result of the autocratic methods used by the Government to impose their way. They have introduced legislation before serious negotiations have taken place. It is like putting a cosh on the table before beginning a dialogue. The use of the money Bill device to prevent full parliamentary scrutiny is despicable. I have looked at "Erskine May", and I urge other Members to do so. I cannot see how this can be defined as a money Bill. I hope the Speaker will rule against it after Third Reading. If it is passed as a money Bill, it will be implemented within a limited time scale, with no potential for amendment in the other Chamber.

The introduction of a sunset clause sends out a message that if the economic situation worsens, the Government will come back for more, and there will be further cuts in the scheme after that year. The Bill immediately soured the industrial relations climate under the new Government, and that does not apply just to the civil service. Across the public sector teachers, local government workers, health workers and those working in the emergency services are all on better terms than the terms introduced by the scheme in the Bill, so they see the legislation as the starting gun for an attack on their conditions and their redundancy payments.

Some have put a more sinister construction on the Government's intentions. It is clear that the Government's strategy is that the economic recession will be solved on the basis of cuts in the jobs, services, wages and conditions of employment of working people. For those of us who have been around a while, it smacks of the same old policies of the 1980s. In that period a Conservative Government decided that the unions had to be broken if the Government were to be able to force through harsher cuts. They took on the miners' union, for which I worked at the time. It was an attempt to break a union as an example to others. The present Government appear to have identified the group of public sector unions as the modern day target. I am sure we will soon be hearing statements about enemies within and so on.

If that is the Government's strategy, they are sorely mistaken. My sense is that the public servants who will be affected by such legislation will not take it lying down. Members have been lobbied already. They are aware of the growing anger, and there will be resistance. That will have public support, particularly as our communities begin to experience the impact of the cuts to their services and increasingly appreciate the scale of the damage that will be incurred by our society.

I appeal to the Government to pull back from this mistaken approach of imposition, which will lead to confrontation. I urge them to get back to the negotiating table and to agree a serious and sensible way forward. They should take the cosh of this legislative proposal off the table to allow proper negotiations. Ministers could sensibly withdraw the Bill tonight. Failing that, I urge Members to reject it because there is nothing in the Bill or in the words uttered by Ministers today that gives us the guarantee of the protection of our constituents that we require. The Bill will damage the civil service that we have all commended in today's debate as an exemplar to the world.

I warn the Government that issues such as those raised by the Bill, which appear minor at first glance, become the combustible material that eventually brings down a Government. I urge Members to reject the Bill tonight.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. A considerable number of Members are trying to catch my eye, as the House can see. If speeches go much beyond eight minutes, we will not get everybody in, so I ask Members to focus and show discipline in order to help other Members to be able to deliver their speeches also.

6.53 pm

Dr John Pugh (Southport) (LD): I shall be fairly brief, as I have only one fundamental concern. Despite the persuasive skills of the Minister, I sensed in what he said the iron fist within the velvet glove.

I have concerns about the scheme which focus on the fundamental issue of a unilateral alteration of contract and how that stands in this place. I accept that the scheme as it stands is, as many hon. Members have said, generous. It is certainly superior to any available to other public sector workers, such as teachers, NHS staff or local government workers. It is expensive and everybody accepts that it needs an overhaul. I am aware that successive Governments, worried about affordability, have sought agreement on changes and got very close to agreement, which must give some hope for the future.

What I have difficulty with—it is a genuine difficulty, and perhaps the Minister can help me—is a unilateral variation of contract in any context, and not because it is ruled out, as it was in the courts, by the Superannuation Act 1972, which Parliament is, of course, free to amend, and which we are in the process of amending here. Let me briefly explain why. The scheme as I see it is referenced in civil service contracts of employment. Those contracts are freely entered into by the state and by the employees who work for the state. The scheme therefore features, though not in specific detail, as a term and condition of that contract.

When an employment contract is ignored or discarded by any other employer, there is normally a redress in law. Some unscrupulous employers view that as an

[Dr John Pugh]

occupational hazard, preferring to pay people off with meagre compensation than to honour contracts. That is a calculation, but it is not something that a Government should engage in. Such people belong to what I would call the brutalist school of management, and working for such people is a unhappy experience. The hon. Member for Hayes and Harlington (John McDonnell) mentioned how things could go in the civil service.

The state should, in theory, be a model employer, and legislates in this place on employment law for other employers. What we have here, apparently, is the courts telling the civil service that they cannot vary a contract unilaterally as a result of action by the previous Government, and this Government legislating to ensure that they can. However it is dressed up, that represents the naked—albeit legal—use of power to alter a contract unilaterally. Such managerial brutalism, as I call it, is likely to have long-term detrimental consequences, in terms of morale and the willingness of employees to engage satisfactorily in their employment.

Leaving aside the fact that this sets a poor example, there is a danger that it may also be poor politics. Good politics is based on ethics, and who wants to defend breaking contracts at one's convenience? To be sure, keeping to them in this case costs money—Members have spoken about affordability—and more money than people ever thought it would. We do not argue in this place that because private finance initiative contracts cost much more than imagined, we should pass legislation to drop some of their clauses, but that strikes me as an exact parallel of what the Bill appears to do.

Keeping contracts is fundamental to any scheme of law. Even when football teams that are saddled with managers who drag them down into lower divisions finally come to sack them, they honour contracts that they have made with them, sometimes at huge cost: they keep the terms and conditions of their contract. We do not hire people to work on our premises or our houses and, when our bank balance declines and our fortunes get worse, insist on paying them less than agreed, unless we have some sort of justification. Only in the direst national emergency can a democratic Government sacrifice the principle of honouring contracts, and they should do so only when there is no alternative course of action.

I genuinely appreciate the Government's dilemma. I wish to see the scheme reformed to become more affordable, at less public cost. We must all accept that since 1972 the scheme has grown and grown, and there might be a difference between reneging on the scheme and varying some detail of it, but that is a legal question above my pay grade. I do not seek to answer whether that difference exists, or to create difficulties for anyone. I simply want to know whether the Bill before us is in effect a unilateral variation—a rewrite of a contract. If it is, how in this case can we provide a wholly rational and ethical defence for it?

6.59 pm

Mr Michael McCann (East Kilbride, Strathaven and Lesmahagow) (Lab): May I declare an interest? In the Chamber tonight, I am representing thousands of civil servants who live and work in my constituency, home to Her Majesty's Revenue and Customs, the Department for International Development and the Department for Work and Pensions. Many other constituents work in the Scottish Court Service, the Scottish Prison Service, the Forestry Commission and many other Departments, agencies and non-departmental public bodies throughout Scotland.

I have another interest to declare: I was a civil servant between 1982 and 1992; I became a full-time official with the Civil and Public Services Association, a predecessor of the Public and Commercial Services Union; and then I became a senior full-time official for the PCS. I know all the protagonists in this debate very well indeed, including the aforementioned Mr Serwotka.

The motto of the new coalition Government is, "We are all in this together," and I should like to put that to the test by asking them to put their motto into actions rather than words, because, despite what was said amid the heady atmosphere of the Queen's Speech debate, every Member recognises that we have to tackle the fiscal deficit. The difference—well, there may be more than one—between Opposition and Government Members is how we do so. The Opposition believe that there are other options, that the Government are going far too far, far too quickly and that the damage that occurs will create more problems for the economy.

The proposal before us is the first real acid test of the Government's plans for deficit reduction, because we all know that the whole economy of the United Kingdom benefited from the economic bail-out. The private sector, the public sector and what people call the third sector all benefited, and in order to reduce the deficit every part of the economy must contribute. I shall argue strongly that that contribution must be proportionate and depend on how much people can afford. For example, the bankers, who perpetrated the biggest crime against our country's economy, must pay the most in order to rebalance our books.

We know from the Budget that people will be asked to pay a 20% VAT rate, and that there will be what Opposition Members regard as a puny levy on the banks. We must also consider the proposal before us, and taking matters in the round I have reached the judgment that we are not all in this together, because we are asking those who can least afford it, those who are vulnerable and public sector workers to pay the largest price. That is the collective impact of the proposal. Despite what the Minister said, that is the message that the Government are sending out. I appreciate his point about the negotiations, but, having taken part in many negotiations over the years, I now recognise when I had the upper hand and when the employer did, so I recognise that in the current negotiations the employer—the Government—has very much the upper hand.

Ministers still have an opportunity to reach a common-sense resolution for the civil service compensation scheme, however. A lot of inaccurate information has been put out in the press, and there is a great deal of confusion about the difference between severance and early retirement. For example, on the BBC's "Today" programme, I heard that some civil servants would receive six and two-thirds years' payments after they had been made redundant. That clearly confused severance with retirement, because severance is simply based on length of service and salary, and the maximum payout under the current CSCS scheme is three years. In respect of retirement, the terms are for the over-50s, involving an enhancement, through added years, to their pensions.

The Labour Government's comprehensive proposal to the civil service unions would have saved between £500 million and £650 million—not inconsiderable amounts of money, I hope Government Members will agree—and protected all the different bases in respect of early severance and early retirement.

Harriett Baldwin (West Worcestershire) (Con): I want to clarify the hon. Gentleman's point about severance, because the Library research paper states that early severance can cost "6 years' pay" under the 1987 terms. Is that the case?

Mr McCann: The hon. Lady is absolutely correct, but earlier contributors made it clear that that refers to a very tiny proportion of the civil service staff; the vast majority are under the terms that I have given the House—*[Interruption.]* The hon. Member for West Suffolk (Matthew Hancock) shakes his head, but it is absolutely true that the vast majority will receive severance terms based on a maximum three years' payout. *[Interruption.]* His colleagues nod in agreement, so he seems to be in the minority.

Matthew Hancock: The surprise that I express is due to the argument that, because not many people will receive enormous payouts, there is somehow not a problem. I also want to add a couple of facts to the debate. In the past three years at the Department of Health, the average payout has been more than £100,000 each year. The argument that large payouts amount to a couple of small examples contravenes the facts.

Mr McCann: I thank the hon. Gentleman very much for that intervention, but he is simply wrong. A minute number of individuals will attract substantial payments; the vast majority will receive a maximum three years' payment under severance terms and, for early retirement, up to six and two thirds added years. The Minister nodded when I mentioned that the maximum is a six and two-thirds years' enhancement.

The most important thing about the February 2010 proposals that the previous Labour Government put forward was that they would have protected the lowest-paid civil servants. The cap was two years' salary, with a maximum payout of £60,000, but given that the average salary of a civil servant is £20,000—that figure has been bandied about a lot in the debate—Labour's proposals would have protected those individuals. Under the Bill, they face a two-thirds cut, which is unreasonable and, with the greatest respect to Government Members, demonstrates that we are not all in this together. The Bill anticipates that, as a result of the comprehensive spending review, many thousands of civil servants will be made redundant in the months to come, and it effectively says, "While we give you the pain of making you redundant, we'll also hammer you financially as you walk out the door." That is unacceptable.

Richard Graham: Does the hon. Gentleman agree that his comments are focused on the Bill, rather than on the parallel aim of the negotiations with the trade unions? The fundamental aim of those talks, which is to increase the minimum statutory amount for the less well paid civil servants, is critical and fair. Does he support it?

Mr McCann: I understand the hon. Gentleman's point, but may I make this point in return? If the February deal was unacceptable to one trade union in the negotiations, it strikes me as logical that that deal would have to be significantly improved in order to make it acceptable to the PCS. I do not get from the Minister any impression that there will be any significant move to improve that deal financially, which leads me to conclude that those negotiations might not be as fruitful as Government Members hope.

Richard Graham: Does the hon. Gentleman support the concept of making the proposal to the trade unions more attractive to the lower paid, even if it is less attractive to the better paid?

Mr McCann: One of my final points is that the February deal should be put back on the table. That is the simple fact of the matter. That deal represents the best opportunity to reach an agreement, as the shadow Minister, my right hon. Friend the Member for Dulwich and West Norwood (Tessa Jowell), said.

The Minister said that the Government have proposed a 15-month deal for those who volunteer for redundancy, and from a negotiating point of view I can understand why that might seem attractive, but it will not be attractive to the many low-paid civil servants who work in my constituency. They will see it as a pearl-handed revolver to the temple, implying that they can take 12 months' pay if redundancy is compulsory, but 15 months' pay if they go quietly. That is not fair to civil servants.

I gave an example when I intervened on the Minister. Let us take a 42-year-old civil servant with 20 years' service—I have chosen that age because it is, almost, close to mine. Under the current, pre-February deal, which is in place because, owing to legal action, the legislation has not changed, that individual would receive £60,000. Under the February proposals that the Labour Government put forward, that individual would have received £58,000. Under this Bill, they would receive £20,000 in compulsory terms or £25,000 if they went voluntarily.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I respect the hon. Gentleman's argument, but on a point of clarity, I should say that he talked about a 42-year-old who had worked for 28 years. That suggests that he or she would have started work at 14. I would have a bit more understanding if the hon. Gentleman used a more realistic example.

Mr McCann: The hon. Lady should forgive my accent; she probably did not catch it, but I said 20 years' service. That should clear it up. My example was a 42-year-old civil servant who had worked for 20 years. Is that okay?

Dr Coffey *indicated assent.*

Mr McCann: The numbers are okay. Forgive me; I was not trying to suggest that we introduced new legislation in Scotland under which people started work earlier. My point is that the lowest-paid are still paying the biggest price. That is unfair, and I hope that Government Members will take that on board.

A number of people have said in this debate that the private sector does not get the same treatment. I was a full-time negotiator for the Public and Commercial Services Union and its predecessors for many years, and let me tell the House what happened in the public sector. When times were good and we went into negotiations asking, Oliver-style, for more, we got the answer back that we had to set an example. We could not share in the

[Mr McCann]

country's wealth because of that. When times were bad, the argument from the opposite side of the table changed—it became, "We can't afford it." That is why the civil service has been a battleground for a number of years.

Sadly, I am old enough to remember the 1980-81 pay disputes. In the late 1980s, Margaret Thatcher, the then Prime Minister, put new arrangements in place. Those were ripped up in September 1992 when we had to pull out of the disastrous exchange rate mechanism. In 1993, the Conservative Government imposed a 1.5% pay limit on the whole public sector to take account of their economic problems. I mention all that to demonstrate the link between Conservative Governments and cuts to the civil service and the fact that the civil service is always the easy scapegoat.

There is always a dilemma between the public and private sectors. We were trying to emulate in some way the private sector's efficiency—there is an eternal debate about how we can make the public sector more efficient. The conundrum is this: the private sector can make a profit, but the public sector is about service and delivery. The public sector must always be efficient, but low salaries are the price that public servants are prepared to pay in return for better terms and conditions of service. That is the simple fact of the matter.

Nick de Bois: My hon. Friend the Member for West Suffolk (Matthew Hancock) highlighted the fact that there is little difference between weekly salaries in the private and public sectors. How does the hon. Gentleman equate that with his argument that a differential has been growing?

Mr McCann: The simple fact of the matter is that I can pluck any statistic out of the air that will disprove that. When I was a negotiator, I used the retail prices index, RPIX, the consumer prices index—whichever best backed up my claims on behalf of my members. That is the simple fact of the matter. I respect the fact that the figures come from the Library; I do not doubt them at all, but I could quote other figures that would support my argument, and mine are more accurate.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): My understanding is that the Government's figure was from 2009, with no other years being considered. I am sure that my hon. Friend will agree that 2009 was in the midst of the deepest recession since the 1930s. At that stage, the private sector had taken the real hit, which perhaps explains what a statistician would describe as an "outlier figure". Most statisticians and statistics would suggest that there is a pay premium in the private sector; that has been established over 30 or 40 years. To cite figures from only 2009 is a little naughty.

Mr McCann: I shall defer to my hon. Friend's greater knowledge of these matters and get back to the point that I was trying to make.

Public sector workers take poorer salaries in return for more reasonable terms and conditions. When things go pear-shaped, they expect reasonable protection. Things have gone pear-shaped without a shadow of a doubt; the problem is that the safety net that public sector workers thought was there is going to be withdrawn. Ministers can do the right thing, and I hope that they take heed of my arguments and those made by some other Members.

To demonstrate his desire for fairness, the Minister for the Cabinet Office said in a sitting of the Public Administration Committee:

> "Our view was that had the scheme that was introduced by the last Government, which was diluted as the negotiations went on, I understand, in order to secure the agreement of all of the unions, including PCS, remained in place then there would have been a very pressing case made for us to retain that and work with that."

The right hon. Gentleman should take that position away; he should drop the Bill and move back to the February 2010 proposals as a basis on which, hopefully, negotiations can be concluded.

What worries me is that in that same sitting, the Minister also said:

> "the truth is that there are significant numbers of people within the Civil Service for whom through no fault of their own but simply because of the way life has moved on there is no job in reality but who are not made redundant because the terms are prohibitively expensive at the moment."

With the greatest respect, that is arrant nonsense. I have visited Government Departments, agencies and non-departmental public bodies the length and breadth of the country, and I have never seen highly paid workers sitting around doing nothing. I do not believe that what the Minister said is accurate and I hope that he will withdraw the comment. He should know that 40% of civil servants earn £20,000 or less and four fifths earn less than £30,000. It is for the right hon. Gentleman to tell us in which Departments these people are sitting around doing nothing and earning money.

The trade union position is another stumbling block that we cannot hide from in this debate; it is important that that should be covered as well. The fact is that five of the six trade unions backed the February 2010 deal and that the Public and Commercial Services Union rejected it. To the Public Administration Committee, the PCS said that half of its 300,000 members—the higher-earning members—would lose out because of that deal. I fully understand the concerns, but then I look at the other trade unions involved in the negotiations—the FDA and Prospect, for example. The FDA represents the most senior civil servants in the United Kingdom and Prospect's predecessor unions have represented professionals, managers and scientists, who are more highly paid. Both those trade unions accepted that they had to make some compromises in the negotiations under the last Labour Government. They probably reached the conclusion, before the words were said by Government Members, that "we are all in this together" and that the public sector also had to make a contribution to the rebalancing of the economy.

The PCS rejected the deal, took legal action and stopped it. However, they stopped it not only for their own members but for all the trade unions that are part of the Council of Civil Service Unions. Now, this Bill tells us that all bets are off. The Minister for the Cabinet Office states that had that deal been accepted, this Government would probably have honoured it. He then offers a significantly poorer deal, which is linked to future negotiations. The Minister may feel that there is an opportunity to save more money or to humiliate the PCS for what he might perceive to be its exceptionally foolish action.

Gavin Williamson (South Staffordshire) (Con): With hindsight, does the hon. Gentleman think that the PCS should have accepted the offer in February?

Mr McCann: I always tend to go with the majority; that is the democratic thing to do. When five out of six trade unions accept a deal, that tells us something. I would have taken the view that the majority position should have won through.

John McDonnell: For the sake of accuracy on the record, I should point out that the vast majority of members affected are PCS members; the numbers from the other unions are relatively smaller. Actually, when balloted, 63% of PCS members affected voted against the proposal for the scheme and in favour of industrial action.

Mr McCann: My hon. Friend is correct that 70% of those covered by the negotiations were PCS members, but we should bear in mind that 150,000, or 50%, of them would have been protected by the Labour Government's proposals. It is also dangerous to go down the line of citing figures from ballots because we then tend to look at how many people voted in them.

John McDonnell: Just to be accurate for the record, it was one of the highest ballot turnouts that any union has had. The turnout was excellent.

Mr McCann: With the greatest respect, I do not think that people should worry about numbers—we need to go to the meat of the debate, which is about protecting low-paid civil servants who would be disproportionately affected by the proposals.

The Minister may feel that the PCS has been foolish. He may feel that he wishes to take advantage of the PCS's vulnerability at this time and punish it. I genuinely urge him not to do so, because we anticipate a hard time for civil servants, many of whom may be made redundant as a result of the comprehensive spending review, and it would be vindictive in the extreme to hit them with the double whammy of redundancy and then a poor redundancy payment to boot, and to strip them of the hard-won conditions of service that they had.

You will be delighted to hear, Mr Deputy Speaker, that I am now going to sum up. The February 2010 deal was a fair deal, in my view. It saved money, it protected the lowest-paid, and it covered the protection of civil servants' redundancy payments and early retirement provision. We should not be attempting to punish members of the five trade unions who backed the February 2010 deal, nor should we punish PCS members, even if Ministers believe that the PCS strategy was somehow misplaced. To use the motto of Government Members, if we are all in this together, we should be fair to civil servants. We should put the February 2010 deal back on the table, legislate for those changes, and get the deal done. Then, we can ensure that all public servants who work in the civil service are protected properly.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. The hon. Member for East Kilbride, Strathaven and Lesmahagow said several times that we are all in this together. We are all in this debate together, and if everybody takes about 20 minutes, we will get fewer than 10 Members in, so please be focused. We have not introduced a time limit on this debate, but if it carries on like this, I will have no hesitation in doing so.

7.22 pm

Mr Bernard Jenkin (Harwich and North Essex) (Con): I am grateful for that comment, Mr Deputy Speaker, and I will truncate my remarks as best I can. Perhaps it is just an irony that the PCS is the single union that held up the agreement and a representative of the PCS held up the debate for 21 minutes after being implored to speak for only eight minutes. I reflect on that.

The Public Administration Committee, which I chair, recently took evidence from my right hon. Friend the Minister for the Cabinet Office and the principal civil service unions about the provisions of the Bill and the prospects for a negotiated settlement of the dispute about ongoing compensation for civil servants who are forced to leave their jobs or voluntarily accept redundancy. The hope then was that the parties would reach a negotiated settlement, but regrettably that settlement has not been reached.

It is appropriate at this stage to remind ourselves of why we are having this debate. We are here because there was no agreement. The agreement reached with the five other unions by the previous Government was challenged in the courts, and we finished up with the courts ruling that the compensation payable represents legally enforceable rights. That was never the intention of the original legislation, and that is why we have this Bill. We are not undoing previous legislation; we are undoing the work of the courts on previous legislation. In my view, it is about the culture of judicial review and judicial activism that we now live in. It is unfortunate but it is where we are.

Let us have no illusions about why this is necessary from an economic viewpoint. We are facing the worst public expenditure crisis since the 1930s. It is inconceivable that compensation arrangements that were reached as part of voluntary arrangements between Government Departments and civil servants, and have become legally enforceable by accident, should be respected as though they were contracts entered into and signed in blood. I do not accept what the hon. Member for Southport (Dr Pugh) said about these arrangements. They were intended to be flexible and negotiable, and the Bill is attempting to restore that position, albeit now putting in place a statutory baseline that is harsh—let us have no illusions about that. It is sobering to reflect how harsh these arrangements are in comparison with the existing arrangements.

Michael Connarty (Linlithgow and East Falkirk) (Lab): Will the hon. Gentleman give way?

Mr Jenkin: I hesitate to give way because we are very short of time, but I will do so briefly.

Michael Connarty: This is obviously a very brief Bill, and the hon. Gentleman will have read it; I have read it also. Could he tell me where it says that this is in any way negotiable and flexible?

Mr Jenkin: The hon. Gentleman misunderstood me. The Government have made it clear that they want a negotiated settlement, and that they are not prepared to talk about the terms of that settlement in this debate.

[Mr Jenkin]

Obviously, however, what we enact here provides a legally enforceable baseline that ultimately is not negotiable—the hon. Gentleman is quite right. The point is that the Government have made it absolutely clear that they want a negotiated settlement. With five of the six unions having negotiated in good faith, I hope that the PCS will also do so, whether or not the Bill passes on to the statute book and comes into force.

The need to reform the civil service compensation scheme is well understood. In fact, all the evidence that we received from the trade union representatives conceded that we need to deal with it as a matter of urgency in the current economic climate. This short Bill is simply a reflection of the accumulated mess that successive Governments and successive decisions in the courts have got us into. If there is one thing I regret, it is that there is not more understanding from the official Opposition of the mess that they were in on this same subject and that we cannot present more of a united front, but that is the prerogative of opposition and our democratic process, and I respect that.

I have two particular concerns about the Bill, and I would be grateful if the Minister could address them when he winds up. The first is technical and raises an important issue of principle. Clause 2 provides for early termination or an extension of the 12-month applicability of the legislation. Of course, sunset clauses are not unknown, and in many respects they are welcome provisions because they provide an opportunity to declutter the statute book. However, this Bill is unusual in providing what one might call a "sunrise" clause whereby, if desired, the legislation can be revived by an order under the affirmative resolution procedure in this House. The only similar provision was made in relation to section 13 of the Prevention of Terrorism Act 2005. I worry that the matters in this Bill are hardly in the same category, and that the ability of this House properly to control the law is being excessively compromised for nothing more than the managerial convenience of the Government. Can the Minister explain what the special circumstances are that justify such a provision in this case?

Secondly, I should like to focus on the possibility of a further legal challenge to the provisions of the Bill given the High Court's decision to quash the earlier agreement. In his judgment, Mr Justice Sales took the view that compensation payments under the scheme should be taken to be accrued rights in the same way as pension entitlements. In his answers to me about the Bill's compatibility with the European convention on human rights, the Minister for the Cabinet Office was, if I may say so, not entirely persuasive that he had addressed the legal point made by the unions and potentially to be made in a future action. The PCS argues that the Bill is unlawful because it offends against the principles of the ECHR, namely that the legitimate expectations about compensation rates that the current state scheme gives rise to, are legally possessions of which individuals cannot be deprived.

In the explanatory notes, the Government declare the Bill's compatibility with the Human Rights Act 1998 because payments under the civil service compensation scheme cannot be considered to be a possession. In any case, they say, even if they were to be considered possessions, since the cap on compensation rates does not apply until a redundancy notice is issued or a voluntary departure is agreed—that is, after the Bill has come into force—it does not therefore amount to the deprivation of an existing possession. That is all very elegantly argued, and no doubt the Government have had the benefit of legal advice, but if the Bill is enacted and subsequently challenged in the courts, the consequences could be extremely significant. Even if the challenge were not successful, if it went to the European Court of Human Rights for a determination, the delay and dislocation would be considerable. How sure is the Minister that the rights generated by the legitimate expectation of civil servants about their terms and conditions with regard to redundancy payments will not be regarded as possessions?

I understand that there is case law in the ECHR suggesting that mere claims to possessions are capable of being interpreted as property rights when there is sufficient basis in national law, for example when there is settled case law in the domestic courts confirming that. Precisely that confirmation was provided in the case that was adjudicated in May. Is the Minister confident that, even if the accrued rights are considered possessions, the Government are justified in interfering with those rights in the wider public interest, and therefore lawfully able to do so? In short, is he satisfied that the unions will not have a claim against him for not exercising his discretion in a fair and proper manner in failing to recognise existing entitlements?

That is an important matter, not some arcane point. A legal challenge could run for a very long time in Strasbourg, perhaps for years, and if the Government lost having gone ahead with job reductions on the terms set out in the Bill, it would potentially saddle the public purse with a huge liability at some future date, to say nothing of the subsequent complications in trying to repay individuals long after the event. I point out that Governments of both parties have a long history of wishful thinking when it comes to such cases. I speculate that it appears that the easier course in the short term is often to risk defeat in the courts sometime in the distant future rather than to confront the legal realities and their implications immediately. That is not conducive to better governance and decision making, and if it continues to happen under this new Administration there will perhaps be a case for the Public Administration Committee to launch an inquiry into why the Government's legal advice has so often proved deficient in such cases. I place the Government on notice about that.

Subject to those qualifications, I support the Bill and will vote for it. What Ministers do will be taken as a reflection of the regard in which the civil service is held, and that will have an effect on the morale of the public service at a time of great uncertainty and change, and therefore on this Government's relationship with civil servants. Nobody listening to this debate can be under any illusion about the seriousness of the measures that we are discussing and the impact that they will have on people's lives. I commend many of those who have spoken from both sides of the House for alerting us to those concerns.

7.32 pm

Jack Dromey (Birmingham, Erdington) (Lab): May I declare an interest? For 15 years I was chairman of the Ministry of Defence joint industrial Whitley council,

which at its height covered 120,000 industrial civil servants. It was the only body in British industrial relations that survived the 18 years of a Conservative Government with a Minister in the chair, such was the emphasis on good industrial relations in a very sensitive Department. I know from my own experience that the armed forces value greatly the outstanding service given by defence civilians in the Army, Air Force and Navy. A colonel in charge of one of the biggest army bases in Europe once said to me, "Jack, we pay them poorly, but at least they can look forward to a decent pension and, if they lose their job, a good redundancy payment." That historic assumption is now being torn up.

Who are the civil servants about whom we are talking? Reference has been made to those who work in customs, in the UK Border Agency, in the issuing of driving licences and in air traffic control, and I will give two additional examples. First, only two weeks ago I was in the Jobcentre Plus office in Erdington High street, which covers the area with the highest unemployment in Birmingham but is the highest performer. There were excellent young men and women there working with a passion to help the most underprivileged in a deprived community back into work. The other example is people I know very well from my own experience, the defence civilians at RAF St Athan who, right now, are working hard to support our troops in Afghanistan. They are typical of those who have historically worked in the Ministry of Defence—loyal, long-serving employees, many of them ex-service personnel.

There are 35,000 civil servants in the west midlands, and I want to dispel the myth that they are well paid and have gold-plated pensions and secure jobs. They are mostly low-paid people whose wages have fallen behind inflation. Their average pension is £4,200 a year, and 100,000 civil servants have lost their jobs. Can we have a debate based upon the facts, not the myths?

On the myth that civil servants are well paid, 40% earn less than £20,000 a year and 63% earn less than £25,000 a year. In the Department for Work and Pensions, the lowest-paid get but £13,000 a year. Yes, there was the IT director on £249,000 a year, and that was absolutely wrong, but can we stop using the exception to have a go at civil servants as a whole? On the myth that civil servants enjoy gold-plated pensions, I have already said that if we exclude the highest-paid, the average pension is £4,200 a year, and 100,000 retired civil servants have a pension of less than £2,000 a year. On the myth that they are in secure employment, 20,000 jobs have gone in HMRC, 30,000 in the DWP and 25,000 in the Ministry of Defence, and many more now face losing their jobs, particularly as we look towards the comprehensive spending review.

Reform the current arrangements? Yes. Negotiation to that end? Without hesitation. But it is fundamentally wrong, and a very dangerous precedent, for Government to impose unilaterally on any group of employees changes that are detrimental to their terms and conditions of employment. It is wrong to compare what is now on offer with what was on offer from the Labour Government. Somebody on the median salary of £22,500 a year who has been employed for 20 years and is made compulsorily redundant will suffer a cut of £37,500 in what they would otherwise have expected. That is a broken promise to people who had accrued rights on which they depended, which the Bill is taking away from them at a stroke.

It is wrong that there is no protection in the Bill for the lowest-paid. I heard the Minister's Delphic statements earlier about his hope and expectation, but there is nothing to support them in the Bill. It is wrong and bizarre that somebody who is made compulsorily redundant will now receive less compensation. I know, from my years negotiating in the industrial civil service, about what used to be called public interest terms, which were associated precisely with compulsory redundancy. The Minister said earlier that he knew of no other such examples, but it is common in the private sector that there are enhanced terms for redundancy but yet further enhanced terms for compulsory redundancy.

It is also wrong that, without negotiation or pre-legislative scrutiny, the vehicle of a money Bill is being used in this way, and it is a dangerous precedent. If yesterday we saw a constitutional outrage—a gerrymander—today we see a contractual outrage, the unilateral dashing of the hopes and expectations of hundreds of thousands of civil servants.

I return in conclusion to RAF St Athan, because the workers there working day and night in support of our armed forces in Afghanistan are themselves facing redundancy. I know many of the individuals concerned, and they are trying to plan their future. Now, at a stroke, what they had hoped for will be taken from them in this Bill. They are not responsible for the misdeeds of bankers, and they resent the peddling of myths about civil servants, as they will resent, in the words that the Minister used today, the use of a "blunt instrument" against good men and women who have served this country well and deserve dignity and respect, but who are being treated with contempt.

7.39 pm

Harriett Baldwin (West Worcestershire) (Con): I wish to add to the comments of Members on both sides of the House my recognition of the work that our civil servants do throughout the country. I have spent my working life so far in the private sector. Until I read about this legislation and the background negotiations that brought us to this point, I had not realised that there were still jobs in this land in which people could expect at redundancy to receive a payment of several years' pay. As we heard, in rare cases people can receive up to six years' pay. Most of my constituents would be astonished to learn that some who are faced with redundancy—it is inevitably shocking and stressful—are cushioned by a payment of several years' salary.

I thought I might share with the House some observations from the labour market in the private sector. Redundancy is always a very difficult decision for an employer to take. In my experience, most employers will try very hard to help employees to move within the organisation or reduce their hours. There are many examples in the current downturn of people accepting less work and remaining employed. We acknowledge that redundancy is very expensive, not only financially but in human terms, and that all good employers will go out of their way to try to avoid it. However, we can also see that in a flexible, modern and changing economy, redundancies will occur. Therefore, the provisions are significantly more generous than one would see in private sector employment today.

Thomas Docherty (Dunfermline and West Fife) (Lab): I can think of many privatised companies, as I am sure many colleagues can—I am thinking of British Energy and others—that have generous, multi-year severance packages, so it is wrong to say that we find them nowhere in the private sector.

Harriett Baldwin: I thank the hon. Gentleman for his intervention. I have obviously been in completely the wrong line of work, given that I was unaware of such significant redundancy packages.

We all recognise that people are reluctant to make employees redundant, and that they would make every effort to move people to new jobs. However, the Minister made an important point when he said that when redundancies need to happen, people want to avoid the situation in which the most recently hired and lowest paid are let go because decision making is distorted by the packages that must be offered to more highly paid people who have been with a company for a long time.

We can also acknowledge that when redundancies are made in the civil service—I gather that in the three years from 2005, there were 16,500 redundancies, which cost the public purse about £1 billion at an average of about £60,000 per redundancy—the money must be found from the taxpayer. I differ from my colleagues who said that the decision to introduce the Bill was made because of the deficit. I submit that even if we did not have a deficit, the sums of money being paid out in redundancy would seem no less huge.

We have talked a lot about fairness in today's debate. Is it fair that some of the taxes paid by an individual who finds work after being made redundant in the private sector—the average redundancy payment in the private sector is approximately £9,000—go to pay significant redundancy payments in the civil service? We all agree that something must be done, and as the right hon. Member for Dulwich and West Norwood (Tessa Jowell) said, the CSCS is simply not appropriate for a modern civil service.

It would be right to do something about the situation in good times, just as it is right to do something in tough times, but it would clearly be better, as everyone agrees, if the unions and the Government successfully negotiated a change. It would be more attractive if the redundancies that are being discussed were voluntary. It is often the case that managing a redundancy process that has a significantly more generous voluntary element makes the process much less painful for the work force. In addition, it would be better if we negotiated a change so that the public sector is more vigorous and stronger when new jobs are created. It is one of the counter-intuitive laws of economics that companies that have very generous severance terms tend to hire fewer people than companies that are more flexible. It is also counter-intuitive that the mobility of staff within organisations that have more flexible employment terms is improved. That can often help with morale and job satisfaction.

We have spoken today about protecting the lowest-paid, but perhaps we should talk less about protecting them and recognise that the more junior staff are often able to move up. In other words, instead of talking about protecting junior staff, let us talk about promoting and creating more opportunity for mobility for them within the organisation.

It is also been observed that similar counter-intuitive laws of economics apply to countries. Countries that have more flexible employment laws have much stronger periods of job creation when they move into economic recovery.

I agree with colleagues on both sides of the House that it is a shame that we have to discuss the Bill and that it would be much better if we came to a successfully negotiated conclusion. Let us hope that while the Bill goes through Parliament, the negotiations bring about a more reasonable scheme that is both affordable for the public purse and fair to the very many valuable public servants who are covered by the current scheme.

7.47 pm

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): Like other hon. Members who have spoken in the debate, I have been contacted by a number of my constituents who work as civil servants. The people who contacted me are not serial complainers and campaigners who write to me or to other politicians about everything, but people who do valuable work in a number of different departments within the civil service and other bodies locally, and who are genuinely concerned about their futures. They do important work in places such as the Identity and Passport Service, the Housing Investment Division of the Scottish Government, the Criminal Injuries Compensation Authority, the Child Support Agency and Registers of Scotland. Although those jobs are not based in my constituency, they are based in the travel-to-work area. They are important for an area such as mine, which has seen a downturn in the manufacturing sector and is still reeling from the announcement that Diageo is pulling out of the Johnnie Walker plant.

I have come to the Chamber today to put on record my constituents' concerns and, like others, to take the opportunity to praise dedicated public sector workers, including civil servants, who have given their lives and careers to work on our behalf. However, it is no good speaking such warm words in the Chamber if we do not take action to back them up. We heard the Minister in his opening statement take a softly, softly approach, saying, "We can sort this. It'll be all right on the night," but that does not match up with the measures in the Bill.

Richard Graham: Does the hon. Lady agree in retrospect that it was a tragedy that two years ago the PCS did not agree to the previous Government's proposals?

Cathy Jamieson: We heard today that the people whom the Public and Commercial Services Union represents—the majority of people who work in the civil service—did not agree that the previous Government's approach was the right one at that stage. Whether or not the hon. Gentleman agrees with the union, it had the right to go to court and did so, and secured a ruling in its favour. We must recognise and accept that. I was surprised to hear other hon. Members suggest that the ruling by the court was something that we should simply dismiss, and I would hope that that is not in fact what they are saying.

Given the need for brevity, I will focus on one particular point and that is the device that is being used to push this Bill through. I am very concerned that the Bill has

been laid as a money Bill. I am a new Member and I stand to be corrected if I am wrong or if I have misunderstood what a money Bill has traditionally been used to do, but my understanding is that the Parliament Act 1911 defines a money Bill and charges the Speaker with certifying whether a Bill is a money Bill. Previously, money Bills have been used to protect revenue and to raise tax, but never before has a money Bill been used in a situation like this. I agree with my hon. Friend the Member for Hayes and Harlington (John McDonnell) who suggested that the use of a money Bill in these circumstances could be seen as an abuse of parliamentary procedure, and certainly many of the people who have spoken to me about this feel that is indeed the case. It is an abuse of that procedure to try to speed a Bill through Parliament without the proper scrutiny and, as the Minister has already accepted, to use a blunt instrument to try to force something on to the negotiating table.

If we look at the detail of the Bill, although it is very short we see that the degree to which it is unworkable in the long term is implicit in its provisions. The sunset clause, which means that the Bill will expire after 12 months, can be repealed at any time and can only be extended for a further period of six months by secondary legislation, and that is a real cause for concern. On the one hand, the Minister said that we have to negotiate but we cannot negotiate in public. However, at the same time, he is very publicly using this blunt instrument to try to force the unions into a particular position without providing any of the detail that Members on both sides of the House have sought today—

Michael Connarty: My hon. Friend is, as usual, shy about telling people that she is a former Minister in the Scottish Parliament and probably knows more about this than most Back Benchers. She also points out that the Bill has a sunset clause, but it is more like a sunrise clause. It is a blunt instrument fashioned to be picked up again and again when the Government do not have the capacity to negotiate and to be used to attack people in the public sector whenever they wish to do so. All that will be required is a statutory instrument off the Floor of the House, without anyone seeing what they are up to.

Cathy Jamieson: I am grateful for my hon. Friend's complimentary remarks. In fact, I am a former Justice Minister. Far be it from me as a former Minister to suggest that people should be suspicious about very short pieces of primary legislation that give greater powers to secondary legislation that can then be picked up and laid without proper parliamentary scrutiny. Having had to work on legislation in another Parliament, I recognise that the concerns expressed by hon. Members are well made in this case.

The Bill puts the Speaker in a difficult and unfair position, because he has to decide whether it should be certified as a money Bill when in fact it is about industrial relations and people should be redoubling their efforts to put the previous deal back on the table and to ensure that all the trade unions are involved in the negotiation. Parliamentary procedures should not be abused in this way.

Given that brevity is required, I shall not seek to rehearse points that other hon. Members have made. However, when we are talking about the low-paid and given all the warm words that we heard earlier about the desire to protect the lowest grades in the civil service, I do not think it is good enough that Ministers cannot identify what "low paid" means in those terms and how many people will be affected. It is incumbent on the Minister who winds up the debate to give us more information on that point.

7.54 pm

John Thurso (Caithness, Sutherland and Easter Ross) (LD): The Minister will know that I wrote to the Minister for the Cabinet Office on 21 July to set out the reasons why I cannot support this Bill. I have to say that I have not changed my mind in the intervening weeks or during the course of this debate. However, notwithstanding the fact that I will not be supporting the Bill, I appreciated the way in which the Minister presented it and the moderation of his tone in some remarks. Given that we are short of time, I shall cut straight to the chase and set out the reasons why I cannot support the Bill. The debate about private and public is the wrong debate. It is not even comparing apples and pears: it is more like trying to compare bananas with Brazil nuts. There is no comparison. I have been in the private sector all my life. I have never had a pension or redundancy terms, and I have always managed to earn a considerable amount of money. I knew what I was getting into. When I signed on for this place, I knew that I would experience a severe reduction in my pay, but that I would get a pension and redundancy terms, although of course the latter are not now so good—*[Laughter.]* Hey, we will keep working on that.

The point is that people take into account what they will receive in certain situations when they take a job. There may not be a legal contract, but I believe that there is a moral contract between the state and its employees. To put it in human terms, I have people in my constituency who work in the Forestry Commission, for the Department for Work and Pensions—although sadly that office was closed by the last Government despite being one of the most productive and absence-free in the country—and for HM Revenue and Customs in an office scheduled for closure in 2013. The one thing that all those people have been able to count on is that when the Gershon axe fell, they had a cushion between them and penury. In particular, I think of one employee who said to me, "Well, I took out my mortgage based on the fact that if I lost my job I could pay off the mortgage. If this Bill goes through the way it is written, I will have to sell my house." That is the human reality of this.

Many of the people who have gone into the public sector have considerable qualities, had a vocational desire to be in the public service and have forgone the ability to earn more money in the private sector. Part of their consideration for doing that was the terms and conditions available.

Companies are different because they have a top line, and that can be driven to make more profit and expand further. The last thing that any of us wants to see is an ever-expanding public service. We would like to control it and keep it as cost efficient as possible while delivering the service. It is therefore a wholly different model to driving a top line and delivering a profit. It is right that the famous six times salary provisions—I suspect that those are few in number—and those at the higher-paid

[John Thurso]

end should be reformed, but I am concerned that in fact the low paid in my constituency will bear the brunt, as will those who are coming to the end of their career and have no chance or ability to find another job. I want a scheme that will genuinely offer some help and succour to those at the bottom end of the scale.

I have a final suggestion for the Minister. He probably will not reply to it, but he can take it away for the negotiations to come. If the Government want a cap of £50,000, fine, but they should keep the current terms. That is a progressive way to do it, because the people at the bottom would be very generously looked after and the people at the top would pay most. Let us try that for a change.

7.59 pm

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): I think that there is agreement on both sides of the House that the scheme needs to be reformed on grounds of economy and fairness, but the questions are what constitutes fairness and how one gets there. My view is that the Bill is arbitrary and unfair, and therefore likely to increase further the suspicions with which low-paid civil servants view this Government. It is arbitrary because it is a coercive measure seeking to impose new terms and conditions on public servants, even as the Government claim to desire a negotiated settlement, and it is unfair because, as we have heard, it does nothing to address the reasonable expectations of the employees concerned, especially, I reiterate, the half of all civil servants who earn less than £21,000 a year.

The people we are talking about are decent people, many of whom do vital and complex work for modest rewards. In my constituency, Her Majesty's Revenue and Customs is an especially large employer. Most people from Cumbernauld—myself included—have a friend who works, or has worked, in HMRC. Members of the House who are blessed enough to receive official correspondence from HMRC are likely to have done so from Cumbernauld, and the men and women who work there do so to ensure that taxes are paid, tax credits properly administered and the Government's revenue maximised. Few can doubt the importance of this work, especially in times such as these.

The Minister insists that the Government are working on a package to protect the men and women who do such vital work, but I hope that they will understand that those men and women are not prepared to take that on trust. The Government's good intentions do not to a policy amount. This is especially the case when a fairer package already exists—the one devised by the previous Labour Government and now accepted as a basis for negotiation by all six trade unions. Alas, the new Government are uninterested and intend to force through changes to the law that override their obligation to consult and reach agreement with civil service unions under the terms of the Superannuation Act 1972. In the long term, therefore, this Bill has implications for the legal right of all civil service unions to consultation and negotiated agreements. In the short term, it means the removal of protection for the low paid.

The Government's failure to build on Labour's work in this area will, I believe, have dangerous consequences. All parties are agreed that the times call for more efficient government, but, as has been mentioned, particularly from the Liberal Democrat Benches, efficiency is not just about laying off staff more cheaply; good training, organisation and management are essential if those workers are to do the important job of closing the tax gap—a tax gap that appears to cost us all up to £40 billion a year. My view is that addressing tax evasion and avoidance is the only true, fair way to deal with the deficit. If individuals and businesses paid what they owed, closing the tax gap would become simpler. Successive Governments, including Labour Governments, have failed to do so because they have not resourced enforcement appropriately. It will be so much more difficult to do so in the context of a demoralised, dispirited work force fearful about their jobs and the terms under which they could be made surplus to requirements—a point powerfully made by the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso) and his colleague the hon. Member for Southport (Dr Pugh).

The Government claim that they are about getting more for less, but they have to recognise that this ambition is a complex and demanding one, and that it cannot be imposed arbitrarily from the centre. A Government genuinely interested in efficiency would look to promote bottom-up programmes and work force empowerment, and should not force through primary legislation that dramatically undermines job security. The legislation, I repeat, makes an arbitrary change without consultation or warning. This is slap-dash policy making—the Minister will not even offer an estimate of the potential savings. No wonder that civil servants in my constituency and elsewhere are sceptical and worried. This is not fair, it is not progressive, and it gives the lie to the claim that we are all in this together.

Ministers' response to criticisms of their changes to the CSCS parallel the Government's defence of the fairness of their policies more generally—"Do not judge us by what we have said and done. Judge us by what we might do in the future." My constituents are not prepared to take the Government's word for it. The gap between rhetoric and reality has already been observed in a number of areas in Government policy. This Bill will produce agonising uncertainty among modestly paid civil servants, will undermine their productivity in the service of the public, is damaging to industrial relations and exposes a divisive and confrontational attitude on the part of the Government. Most damagingly of all, however, it ignores progress made by the pervious Government.

I will finish on this point. My constituents are generally sceptical of the bona fides of the Government, so I ask the Minister and the Government to do something concrete to assuage their fears about their intentions in this area of policy.

8.7 pm

Gavin Williamson (South Staffordshire) (Con): Given that, in this Chamber, we often talk about cuts, you will be pleased to hear, Madam Deputy Speaker, that I have cut my speech substantially, in the interests of time.

It is interesting that so far in this debate there has been a general acceptance, on both sides of the Chamber, that change is needed in the civil service compensation scheme. That acceptance is welcome. I appreciate that both sides of the House cannot agree on how those

changes should be made, but this Chamber and this nation are faced with some difficult and hard truths—we cannot afford the situation that the country finds itself in or the deficit that the Government have inherited. While I, like, I am sure, virtually every Government Member, want to see compromise and agreement between the Government and civil servants and civil service unions, we cannot wait for, or be held ransom by, one union that has decided that it does not wish to seek a compromise.

The simple truth is that there is a massive disparity between the private sector and the civil service when it comes to redundancy. Figures from the Chartered Institute of Personnel and Development estimate that, in autumn 2008, the average cost of a redundancy in the private sector was £8,981. Yet, according to comparative figures for 2005-08, 10,000 compulsory early severance packages were served on civil servants, costing an average of £42,000 each. All Members would accept that that is a substantive difference. Governments, like businesses, need flexibility in what they do and how they work, but the current scheme does not offer that flexibility. We can argue about three years, six years or two thirds, and we can talk about trying to achieve efficiency savings, but the simple reality is that we are facing a payback of between three and six years in order to realise the benefit of those efficiency savings. Unfortunately, that it is not going to be enough in the difficult times that we have inherited from the previous Labour Government.

I very much welcome the words spoken by my right hon. Friend the Minister at the Dispatch Box, along with his obviously heartfelt wish to seek compromise and reach agreement with the unions, for the benefit of everyone in this nation and of the civil servants who work so diligently for this Government. That should be welcomed on both sides of the House. I also hope that, with the passage of the Bill, the civil service unions will realise how important it is to reach that compromise swiftly, for the benefit of all.

8.11 pm

Ms Margaret Ritchie (South Down) (SDLP): Like other hon. Members, I have received representations from constituents, many of whom are civil servants. Very few would disagree that the civil service compensation scheme should be reformed; in fact, there are good, compelling arguments for public sector reform. However, we need to ensure that the compensation scheme affords protection for some of the lowest-paid and longest-serving public sector workers. Lower-paid staff should not be the victims of departmental cuts or of what is proposed in this Bill.

I represent a constituency in Northern Ireland whose economy is heavily dependent on the public sector. I am conscious that public sector reform is needed, that the economy needs to be rebalanced and that the private sector needs to grow and be stimulated, but there is still an urgent need to sustain jobs in the public sector and to make provision for new entrants into the civil service. Reform must always be tempered by the principles of social justice and fairness and by what is in the best interest of the public. We must not undermine the basis of the existing economy.

I speak as a former Minister in Northern Ireland who had responsibility for the benefits system for some three years. During that time, I had responsibility for some of the lowest-paid civil and public servants in Northern Ireland. Many of them were women, many worked part time and many were vulnerable. Why should such people be held responsible for the present situation? Why should they be the victims of this legislation? Why should they be susceptible to the loss of their jobs? We must also recognise that, although we are in the midst of an economic downturn and facing severe budgetary cuts, there is still a need to protect front-line services, and the vulnerable and disadvantaged. Many civil servants, particularly those in the lower grades, feel that their jobs are under threat. That is their perception, and I have heard nothing today from the Government Benches to assuage those fears.

Notwithstanding all these factors, it is important that Parliament defends the roles and rights of civil and public servants, particularly those in the lower-paid grades. The proposals in the Bill will slash redundancy compensation, especially for older and longer-serving staff. It is important that proper agreements should be reached with the civil service staff and that those agreements recognise the accrued statutory rights held by many of them. The agreements should also be fair to new entrants to the service. The Bill must not be used as a blunt bargaining tool to influence the negotiating process. Efforts must be made to protect staff and the delivery of front-line services, as well as to develop our economy at this difficult time.

I suppose, after this long Second Reading debate, that the best maxim would be that we should follow the road of proper negotiation, rather than that of unilateral imposition. I have learned over the past few weeks that some people believe that the coalition Government are less interested in listening to the views of those who represent the stakeholders. Perhaps that can be seen in their reactions and efforts in relation to the Bill. My hon. Friend the Member for Foyle (Mark Durkan) asked what agreements had been reached with the trade unions in preparing this Bill. Obviously, there has been little agreement.

The Government seem anxious to depart from negotiation, even though it has always been the standard bearer for industrial relations, and to move to imposition. In fact, the Minister for the Cabinet Office could not even provide the right hon. Member for Belfast North (Mr Dodds) with a definition of a lower-paid civil servant. My colleagues in the Social Democratic and Labour party and I are firmly of the opinion that the Bill should be withdrawn, as it is not in the best interests of junior and lower-paid civil servants.

8.16 pm

Matthew Hancock (West Suffolk) (Con): It is a great pleasure to speak in this debate under your speakership, Madam Deputy Speaker. I shall concentrate on the issue of fairness, which has come up again and again today. It is central to the Bill, and an extremely important factor. We are debating a sobering situation, and the Bill is a response in part to the enormous fiscal deficit that we need to tackle. It is clear that the negotiations and the Bill will have an impact on many thousands of civil servants who have worked extremely hard for the good of their country. Like many other Members, I pay tribute to the excellent work of the British civil service, and I echo the view of the Minister that it is the jewel in the crown of our constitution.

[Matthew Hancock]

That is why it is so important that we consider the consequence for fairness as the negotiations go forward and the Bill goes through. That view has been reflected in speeches from both sides of the House today. I shall address the issue of fairness in three different ways. First, we must consider the fairness of these measures, given what else is going to have to happen if we are to tackle the deficit. Secondly, we must consider fairness across society and the economy. Thirdly, we must take into account fairness within the civil service in terms of working practices, and the consequences of the current system for some of those working practices.

The enormous fiscal deficit has overshadowed many of the debates in the Chamber since the election. We on the Government Benches argue that dealing with the deficit is a fair and progressive thing to do. In the short term, failure to do so would lead to higher mortgage rates and interest rates as well as create the risk of a catastrophic economic failure, which we do not want to do. It would also be unfair to burden our children and grandchildren with levels of debt that we had failed to deal with. It is therefore fair and progressive to deal with the deficit. It is important, when considering all the different aspects of that process, to think about the Bill in that context.

How can it be fair to defend a system, as Labour Members have done, in which payments of more than £500,000 have been made to certain individuals at a time when we are having to take other measures—as Labour Members would have had to do, were they still in office—to deal with the deficit? How can it be fair that the average redundancy package in some Departments has been more than £100,000 for the past three years? In an earlier intervention, I gave the example of the Department of Health, in which the average redundancy package last year was £122,000.

When this country is tackling its deficit, it is difficult to say that it is fair to make such enormous redundancy pay-offs. The argument has been put by Labour Members that there are only a few of them so it does not really matter. However, we as a country are going through a difficult process, and having extremely unfair examples of public spending like that only makes it even more difficult. We cannot argue that simply because there is not an enormous quantity of such payouts, they do not matter. They do matter and reforming the system is crucial, as the Opposition Front Benchers seem to recognise, but Labour Back Benchers too often do not.

Michael Connarty: I am amazed that the hon. Gentleman is still quoting the figure of £100,000 when one of his hon. Friends who spoke earlier provided him with the true average of £60,000. He ignores reality again and again. Some people get huge payouts, and some Labour Members have argued against them for the last 10 years but we could not convince our own Government to deal with these people. If the hon. Gentleman's logic had been applied after the second world war, the huge deficit this country would have had to carry would have meant no rebuilding and our people living in poverty for the next 50 years. The hon. Gentleman may be lucid, but he is certainly wrong.

Matthew Hancock: The hon. Gentleman answers his own question when he says that the previous Government did nothing about the problem over the last 10 years. As for this new argument I am hearing expressed by Labour Members, that we had a large deficit in 1945—yes, we did, but we also had large cuts in 1945 and not least to the military because we had just won a war. There are no such easy reductions now because of the mess left by the Labour party—*[Interruption.]* I will take no lessons from what the hon. Gentleman shouts out from a sedentary position. At one point in the last three years, £8 billion was spent on redundancy payouts. I do not know whether the hon. Gentleman is willing to defend very high payouts, but we seem to be getting a reaction on the Labour side against any change to anything. It is a great pity that Labour Members do not engage in the process of trying to deal with the deficit as we Conservative Members do.

Claire Perry (Devizes) (Con): I would like to focus on the average rather than the outliers, as that seems to elicit cries of outrage from the Opposition. It is an incontrovertible fact that if we look at the average redundancy payout and average compensation, we find that the average cost in the private sector in autumn 2008 was £8,981, while it was £17,926 in the public sector—almost twice as much. That demonstrates that we have reached a position where, on average, people are being paid twice as much to retire from the civil service as they are to retire from the private sector. There is nothing fair about that.

Matthew Hancock: It is always dangerous to give way to my hon. Friend, because she usually puts the point far more lucidly than one could oneself.

I was going to come on precisely to that point—my second point about fairness. Not only is it fair to deal with the deficit and, I think, unfair to give enormous payouts when we have to achieve other very difficult things, but fairness across the economy and across society is also important. The maximum payout in the mandatory private sector compensation scheme, for which this House legislated, is £11,400, yet the proposal is nowhere near that figure within the public sector.

It was interesting to note that when the shadow Minister, the right hon. Member for Dulwich and West Norwood (Tessa Jowell), responded to an intervention about whether it was fair to have a similar sort of payoff scheme in the private sector as in the public sector, she effectively said that she was not in favour of equality. I thought that Labour Members were in favour of equality, but obviously not when it does not suit.

Tessa Jowell: I am not quite sure what point the hon. Gentleman is trying to make. If the question is whether I agree the case for parity between the public and the private sector on these matters, the answer is that parity cannot be willed. We are not going to peg the public sector to the private sector other than in an indicative way. There are different incentive structures in the remuneration packages of people who work in the two sectors and they are in different ways reflected in aspects such as the compensation for redundancy that we are discussing this evening.

Matthew Hancock: I thank the right hon. Lady for her intervention. In some cases, it seems, one can talk about parity, and in other cases about equality. If one is favour of it, one might use one word, but if one is

against it, use the other. The important point here is that we need to look at overall compensation packages and overall pay, including pensions and other terms and conditions of work.

That brings me back to the issue of fairness across the sectors. If we are to have a modern civil service and a modern flexible economy that work in the future, we also need to allow transfer between the two sectors. Bringing into line the working practices in the two is no bad thing; nor is bringing into line the redundancy payoffs as the Bill does—and, indeed, as the right hon. Lady's former proposals did. The hon. Member for East Kilbride, Strathaven and Lesmahagow (Mr McCann) raised an interesting point when he argued that we should put the members of the unions ahead of the rest of our constituents. I think that the most important thing for a new MP to do is to represent all of their constituents, not just those who are members of a union.

My final point is about fairness in employment practices. I asked the House of Commons Library about the concept of priority posting pools, which are groups of civil servants who are given nothing to do, but cannot be let go because of the cost of the redundancy package. The Library determined that there were a total of 1,946 such civil servants. When people working for their country have completed their jobs and their projects, it cannot be fair to tell them, "We would like to pay you to do nothing. We cannot find anything useful for you to do. We do not think you would be any good at doing anything else, but we cannot afford to get rid of you, so we are going to carry on paying you." As of January 2010, there were 1,946 such people in the civil service. I believe it is unfair to them not to have a flexible employment system so that we can have a grown-up and modern civil service working for the future.

Such is my argument. We are here to look at the fairness of this Bill as well as other aspects of it. If we want to spend public money fairly, rebalance our economy fairly and try to improve the fairness of working practices in civil service employment, we should support the Bill. The alternative is defending £500,000 payouts, an unbalanced economy and out-of-date working practices. I do not want to defend those things, so I will support the Bill this evening.

8.28 pm

Sheila Gilmore (Edinburgh East) (Lab): Notwithstanding the warm, or perhaps lukewarm, words from the Minister about our civil servants, I see the Bill as part of a concerted attack on the public sector and those who work in it. The war on the public sector is being waged by some parts of the media without contradiction from the Government, and, indeed, by large parts of the Government.

Creating a straw man or woman simply to knock it down is lazy politics, but that has been done this evening by speaker after speaker. It is a case of picking up an extreme example partly in order to divert public opinion from the reality. The aim is to win over public opinion—to make the public think, "Oh, that is dreadful! How can people receive payouts, or salaries like that? We must do something about it", rather than see the reality.

We cannot get away from the economic argument. Earlier, one of my hon. Friends feared that, if he drifted on to the subject of the wider economy he might be accused of irrelevancy, but that subject is not irrelevant. We see a clear divide between the two sides of the House, not because Labour Members are not concerned about the deficit but because we have a different view of the economy, how it should be built, and how we should emerge from recessions. Members on the other side of the House obviously see the public sector as a drag on the economy and something that must be shrunk, and they tell us that lo and behold, the private sector will leap up to pick up the pieces.

Richard Graham: Does the hon. Lady accept that those of us on the Government Benches who have worked in the public sector find that very disappointing to hear?

Sheila Gilmore: Members on those Benches may find it disappointing to hear, but it is what many of my constituents who work in the public sector are hearing. They are witnessing a concerted attack on the sector and on public service. I am sure that many Members on the other side of the House genuinely believe that the public sector is pulling the economy down, but we do not believe it. We believe that we must not at this stage cut the public sector in such a way that the economy is put at risk, but that is what will happen if the Bill is passed.

Public sector cuts will increase unemployment, and my constituents are asking me where the other jobs are. Over the past few weeks redundancies have been announced by Standard Life, which is a big employer in my city, and by the Royal Bank of Scotland, which has also been a big employer there. My constituents are seeing such developments all around them. The construction industry has an administrative side, and people might otherwise have thought of working in that, but the sector has been decimated, and they know that there are no jobs.

We could all throw in such terrible examples. Members have spoken of low redundancy payments in the private sector, but we could cite the amount of money that Fred Goodwin received when his employment was terminated. Is it right for us to "equalise down"? We talk of equality, but why is it assumed that we should look to the least good employment conditions, and try to reduce the conditions of our public servants to that level? Some workers in the private sector do not receive sick pay. Where will it stop? Are we going to say, "That is a good idea—perhaps we should equalise downwards"? Such thinking constitutes a slippery slope, and in my view it is quite wrong. I am not surprised that my constituents are anxious.

Like some of my colleagues, I visited the local Jobcentre Plus during the summer break, and in many ways I found it an inspiring experience. It is a far cry from the old days when the staff sat behind glass barriers, frightened to come out, and people on the other side sat on chairs that were fastened to the ground—presumably in case they lifted them up and threw them—to arrange to sign on. A real effort has been made to do something that every party in the House considers important—to get people back to work—but how can that be done if the morale of the people who should be doing the job has been lowered?

I do not think that the Bill is the right way to deal with the situation. If we were serious about the outliers, the Bill would be about them. If the problem is people

[Sheila Gilmore]

on very high payouts—we have heard about that from several Members today—why is the Bill not about that? If that is the problem, the Government should deal with it, rather than introducing a Bill which will hurt all civil servants including the low-paid, and which is being used as a bargaining tool to force people to agree to even worse terms than those proposed by the Government. What is clearly being said is, "If you do not agree to much worse terms than you have at present"—although perhaps slightly better terms than those in the Bill—"the terms in the Bill will be what you have." That is really what the legislation is about.

8.33 pm

Martin Horwood (Cheltenham) (LD): I declare a strong constituency interest in the Bill. Like many other Members, I have my fair share of constituents who work in local offices of central Government Departments such as the Department for Work and Pensions and Her Majesty's Revenue and Customs. For the moment, I also have constituents who do important work involving the environment and the countryside at Natural England and the Commission for Rural Communities. But, of course, most of those in Cheltenham who describe themselves inconspicuously as civil servants work at GCHQ. They form the largest part of what the Prime Minister has rightly described as

"the finest intelligence services in the world."—[*Official Report*, 6 July 2010; Vol. 513, c. 175.]

GCHQ traces its roots directly to the wartime Government Code and Cypher School at Bletchley Park, which, as we now know, made a huge contribution to victory in the second world war. That contribution, however, remained largely unknown and unrecognised for decades because of the absolute discretion and loyalty of those anonymous civil servants—people like my own parents, who worked at Bletchley and, later, at GCHQ. When the history books are written 60 years from now, who knows what silent victories we will learn were being achieved as we spoke here today, and which will remain secret for decades to come because of that same brand of loyalty? I must say that, on the face of it, this Bill is a pretty poor reward for the loyalty of my constituents in GCHQ and of all the other civil servants in Cheltenham.

It has been suggested that, on average, public sector pay has caught up with private sector pay. I will not invite a repetition of the earlier altercation across the Chamber about which is higher, but neither of the sets of figures cited were based on directly comparable jobs and careers, and that is what really matters. A constituent who wrote to me put it very well:

"I've had a long career in the public sector and watched my university friends prosper in the private sector. They have had company cars, private health care and almost without exception greater earnings. In compensation I had more flexible working, a good pension (although not as good as friends in the insurance industry) and the knowledge that I wasn't in a hire and fire culture. Yet now, all the benefits are under attack but I can never make up for all those years of lower pay."

The mathematicians, linguists and IT experts at GCHQ are some of the finest minds in the country and had they chosen to work for Vodafone or Hewlett-Packard they would have undoubtedly earned more—perhaps much more—but they chose to serve us instead. As one of my friends who worked at GCHQ once wryly told me, "It does inhibit you a bit in job interviews when you're asked to describe your work over the last few years and you have to say, 'I'm not allowed to.'"

GCHQ may be a rather extreme example, but it is true that many civil service careers do not translate easily into private sector job opportunities, especially if they have been very long careers in the civil service. The key point has been made by the hon. Member for Hayes and Harlington (John McDonnell), my hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso) and others: our civil servants make life choices based on the promises we make to them. They make decisions about their homes, where they live, the schools their children attend, and above all they make career choices and financial decisions. They expect that if the day comes when it really matters we will keep our side of the bargain and repay their loyalty as promised. Well, that day has obviously come.

There is no question but that the Government are right to take drastic action to prevent further damage to our economy. I regret it deeply, but there is no question but that many civil and public servants will inevitably have to lose their jobs. The last Labour Government knew that too. The Cheltenham offices of Her Majesty's Revenue and Customs, Natural England and the Commission for Rural Communities are all closing, with inevitable redundancies. As overall departmental cuts bite there will doubtless be more, although I truly hope that an organisation as vital to the national interest as GCHQ will be looked at with the most extreme care.

There is also no question but that the Government are right to look at the civil service compensation scheme, which may now be more—possibly much more—generous, especially to top earners, than we can afford. That was certainly the conclusion of the Labour Government when they too tried to curtail the scheme to control costs. As the hon. Member for West Suffolk (Matthew Hancock) said, it is true that, if we do not economise enough here, we will have to economise somewhere else.

For all those reasons I understand why Ministers had to look closely at the scheme. Labour tried and failed to curtail the scheme by compulsion, but, of course, this Bill does not simply repeat that attempt at compulsion. It reduces the limit on redundancy compensation to one year's pay, which is even more drastic than Labour proposed. Incidentally, it is also more drastic than the terms that apply in other areas of public service such as the NHS or local government.

Another constituent wrote to me that as a civil servant she felt "victimised" by the new Government, and she was a Lib Dem supporter. If there is even a perception of that level of unexpected unfairness from our own supporters, we should hesitate before going ahead with this Bill. It is unexpected because these proposals were in neither coalition party manifesto. In the coalition programme for government there was a promise to reform the scheme and to bring it into line with the private sector. Reform can be very good. It could, for instance, have given civil servants some more of the security of the contractual guarantee of compensation enjoyed by many in the private sector, protecting them somewhat from the whims of Governments. The Bill, it seems to me, deviates radically from good practice and from the principles of the 1972 Act. It contains a

compulsory and substantial reduction in the agreed rights of civil servants and, arguably, the legally accrued rights of civil servants to compensation, and will be enacted just when they may need them most and while negotiations are under way. I must agree with other hon. Members that using legislation as a negotiating tool is unworthy of this Government.

If it is intended that the negotiations should lead to a more generous settlement, especially for the lower-paid, which is what the Minister for the Cabinet Office suggested, and that we can therefore expect the repeal of clause 1 by Ministers in due course, that prompts the question of why it is needed in the Bill in the first place. Why not place a more generous cap, perhaps along the lines of the earlier proposals, in the Bill? Why do Ministers need a weapon that they have no intention of using?

My father could not tell me very much about his work at GCHQ, but he once shared with me the news that he had successfully concluded quite tough negotiations about terms and conditions with the GCHQ trade unions on behalf of GCHQ management. They bought him a drink afterwards and he, I hope, retained the respect and loyalty of his colleagues. I am not sure whether PCS will be buying Ministers drinks after all this is over, but as a Government we should, at the very least, aim to retain the loyalty and respect of our civil servants. In Cheltenham, our national security might depend on it.

Those GCHQ trade unions were subsequently banned by a less enlightened Government than this one—something that was mercifully reversed some years later. I am confident that such union bashing lies firmly in the past and that this Government are committed to policies that are transparently fair. I hope that Ministers will, on reflection, agree that this Bill in its current form does not pass that test. They will have guessed by now that I plan to vote against it tonight.

8.42 pm

Lindsay Roy (Glenrothes) (Lab): Thank you, Madam Deputy Speaker, for calling me to make a short contribution to this vital debate on civil service superannuation. My comments will be brief and they are intended as constructive reinforcement rather than unnecessary duplication, but it will be a test for Members to see whether they can distinguish the difference.

Let me say at the outset that few in the civil service in my community—and there are many of them—would deny that the civil service pension scheme needs reform. Given that position, there is all the more reason why the reform should focus on renegotiation rather than, as is patently obvious here, on a Government planning to proceed unilaterally with a devastating agenda. I appreciated the Minister's comments about the virtues and values of the civil service, but the contents of the Bill do not match that unqualified support. Significantly, the Bill tells us much about the nature and culture of this Government who, at the same time as focusing on negotiation, are using a blunt stick to bulldoze through change. They are taking measures forward in legislation that, if enacted, would have a damaging effect on a cohort of modestly paid people who give outstanding service to our community. Indeed, I dispute the fact that they are not profit-making. They make profit, although not in financial terms, through the dividends and benefits that they give to our community, which are much appreciated.

Surely in the aftermath of the judicial review, the opportunity should have been taken to engage in a steep learning curve jointly through further negotiation. A bullish, insensitive and punitive approach destroys trust between Government and a loyal and dependable civil service work force who believe that they are being treated shabbily, to say the least. They believe that they are being marginalised and that they are bystanders in the whole process. It ill behoves a Government who claimed that they would be champions of fairness to act in such a draconian way, trying to push through an unacceptable change without proper scrutiny. The vast majority of civil servants are modestly paid, yet they play vital roles in our society, as we have heard. They keep our borders safe, support our armed services and help the unemployed.

In essence, the Bill does not strike a fair balance between the interests of taxpayers and the legitimate expectations of civil servants, many of whose livelihoods are being threatened. Governments do have to make hard decisions, but they must underpin those with the values of justice, fairness and respect. Those values seem sadly lacking in the approach that has been taken—or at least that is the perception, as the lowest paid appear to be being treated in a reckless and cavalier manner. Let us make no mistake: this Bill is potentially part of a slash-and-burn approach, a highly insensitive attack on modestly paid public servants who, in an economic downturn, are facing real challenges economically.

So where do I see us going? My focus would be on renegotiations that will succeed and make the Bill redundant. So I urge the Cabinet Office Minister to reaffirm his commitment to go that extra mile—to adopt the principles of the February scheme as an initial basis for discussion; to review his definition of reasonableness, particularly in protecting the lowest-paid; and to balance the needs of the taxpayer and the legitimate expectations of civil servants.

The civil servants of this country deserve to be treated with dignity—with fairness, justice and respect. The citizens of this country expect nothing less, and I hope that common sense will prevail in resolving this dispute, and that the Minister will be persuaded to reconsider his strategy and tactical approach in addressing this dispute, and withdraw the Bill.

8.46 pm

Mr David Ward (Bradford East) (LD): We have heard many speeches about unfairness and the lack of comparability between the schemes in the public and the private sectors, yet those speeches were unnecessary because, as far as I am aware, absolutely no one—not even the hon. Marxist Member for Hayes and Harlington (John McDonnell)—disagrees that we need more comparability and that the scheme that we are discussing tonight is over-generous and unaffordable.

Quite a few speakers have prefaced their speeches with glowing compliments to members of the civil service but have shown little sensitivity to the position that they would find themselves in if the Bill were passed. There may be a very good argument for changing the terms and conditions, but many members of the unions will have made life decisions based on their existing contracts, and they would be facing pretty severe circumstances, which they could not have planned for in many cases.

[Mr David Ward]

I was a trade unionist for 30-odd years and it was a general principle to consult before changing terms and conditions of service: that is a basic rule in industrial relations. It was not good practice to change terms and conditions while consultation was taking place.

The whole of the Government's strategy is built on a plan to rebalance the economy, and I support that strategy. The rebalancing includes a real determination to increase the nation's economic capability by increasing the scale of private sector employment to soak up the increased unemployment that will inevitably follow from the reductions in public spending required as part of the plan to reduce the national deficit. As a matter of principle, is it right to add to the sense of uncertainty, and no doubt in many cases the fear of redundancy, currently felt by many public sector workers by seeking seriously and unilaterally to reduce their entitlements to redundancy payments? This is not an emergency measure—unless, of course, it is intended for that purpose.

I say to my friends on the coalition Benches that I believe we are actually entering into a pact, not with each other but with the British public, and that pact is one in which judgment on the coalition is still deferred. The pact has to do with the strategy that I just outlined for rebalancing the economy. The Chancellor said many months ago that the Budget would be "tough but fair". The public know that it will be tough, but they are watching closely to see just how fair things will be.

Since the judicial review, all the unions have indicated a willingness to engage in further negotiations. That offer should be accepted with good will before we are asked to deliberate. What on earth are we doing getting involved in the nitty-gritty of discussions, consultations and deliberations on terms and conditions of service? That is not our role.

The Bill is important, not just because of the savings to the public purse, which we recognise are necessary, but because of the message that we are sending to those who work in the public sector, and to their representatives. People are committing an act of faith in thinking that we are working in the best interests of the national economy to put things right, but they are watching how we do that.

The degree to which the private sector can rise to the challenge of job creation is uncertain. The degree to which the public sector may be asked to contribute to balancing the nation's books is less uncertain. Efficiencies can and must be found to minimise the impact of budget reductions on front-line services, but no amount of natural wastage and vacancy freezes will remove the need for some redundancies. What message are we sending out if we pass the Bill?

At this most difficult time in the public sector, just when we require the support and good will of the trade unions, we in the heart of Government seek to jab them with a stick—to show them what? That we are tough? In the case of the PCS, possibly it is to teach it a lesson for daring to take us to court. There seems to be resentment against the PCS for stopping Parliament doing something unlawful.

It is the responsibility of all of us who support the public sector to root out and remove inefficient and ineffective public expenditure, because by doing so we defend the sector from those who are ideologically opposed to it. I cannot defend over-generous and unaffordable terms and conditions of service in the public sector, and I have told people who have written to me on the subject that I cannot possibly support them on keeping the current scheme, but I believe that it is wrong, especially at present, when public sector jobs are expected to be lost, to use this House as a means of conducting negotiations with the unions.

I chased my Labour opponent for 20 years and stood against him five times before I managed to get into this House, and one of the slogans that we ran with towards the end of that time was "He never voted against his Government in the interests of his constituents". Well, I am not about to make that mistake this early in my time as an MP.

8.54 pm

Chris Williamson (Derby North) (Lab): This is a mean-spirited, parsimonious Bill that borders on abuse of parliamentary procedures. We heard very plausible, warm words from the Minister for the Cabinet Office; it was almost as though he was in some way sympathetic to the civil servants who will feel the full brunt of this mean-spirited Bill, if it gets through its parliamentary stages. But make no mistake—and I am sure that the civil servants who are following our debate closely will not do so—the Minister for the Cabinet Office has cloaked his iron fist in a velvet glove.

The contributions from Conservative Members left me cold. It is clear that the Conservatives have not changed one iota—they are still the same old nasty Tory party, attacking the most vulnerable and lowest paid people in this country, just as they did in the 1980s and 1990s. We heard some rather sympathetic contributions from Liberal Democrat Members. One or two even said that they will join Labour Members in the Division Lobby. Let us hope that all Liberal Democrat Members have the courage of their convictions and join us in helping to defeat this terrible piece of legislation.

The Finance Bill introduced by the Con-Dem coalition is likely to lead to a double-dip recession. It received Royal Assent on 27 July, and inevitably it will lead to an increase in unemployment. It is against that background that the Superannuation Bill has been introduced, at a time when people are looking for work and finding it difficult to obtain employment. However, the Minister for the Cabinet Office and Conservative Members want to throw people on the dole, leaving them in a vulnerable situation by undermining the terms and conditions that have been built up over many years.

We heard one Member—it may even have been more than one—claim that the measure was fair in some way. The hon. Member for West Suffolk (Matthew Hancock), who regrettably is not in the Chamber, said that the Con-Dem coalition was all about fairness and was progressive as well. The Conservatives ought to look up the meaning of "fairness" and "progressive" in the Oxford English Dictionary, because the legislation that they have introduced is the very antithesis of fairness and of progressive politics. The Deputy Prime Minister himself said in the general election campaign that he wanted to "hardwire fairness into...society". The Bill, however, is yet another example of how hollow his words really are.

The Bill is the direct opposite of fairness, and it does not strike a fair balance between taxpayers' interests and civil servants' legitimate expectations. It provides inadequate protection for some of the country's lowest paid public sector workers. I wonder whether it is the thin end of the wedge. Many people in the public sector enjoy better severance packages than what is proposed in the Bill—in the national health service, in education, and in local government, the ceiling is two years—but time will tell whether they are next on the Con-Dem Government's coalition hit list.

The Minister for the Cabinet Office told the House that he would introduce the Bill:

"I will bring legislation to the House as soon as parliamentary time allows in a Bill to limit the costs of future compensation payments for both compulsory and voluntary civil service exits."

He went on to say that

"I hope that the Government's invitation to the Council of Civil Service Unions will be received in the spirit it is offered and that they will engage speedily and constructively with a view to reaching an agreed, fair and sustainable long-term civil service compensation scheme."—[*Official Report*, 6 July 2010; Vol. 513, c. 3WS.]

What a way to conduct negotiations—introducing legislation in the House, leaving the Parliamentary Secretary, Cabinet Office, the hon. Member for Ruislip, Northwood and Pinner (Mr Hurd), to wield the sword of Damocles over the heads of the civil service unions and people working in the civil service. It simply is not the right way to conduct negotiations.

The Minister for the Cabinet Office has said that he is concerned about low-paid workers, and he repeated that today. Where, however, in the Bill is there a proposal to help those workers? It is non-existent. If he was genuinely concerned about assisting low-paid workers, he would include a provision to deal with the very point to which he referred in July, and again tonight. Once again, words from the Ministers of the Con-Dem coalition are meaningless and utterly hollow.

The Con-Dem coalition seems to be abusing the negotiating protocols by manipulating parliamentary procedures to get its own way, and that will not do. That is not the way to conduct negotiations. It is a sad day for democracy in this country when we see such a Bill before us. The Minister acknowledged that it was an extremely blunt instrument. Then why bother enacting it? Why not take a more sophisticated approach in the 21st century to industrial relations?

To conclude, in the short time that I have, what I find so objectionable about the process is the attempt by the Con-Dem coalition to get the Bill defined as a money Bill to prevent proper scrutiny in the other place. My hon. Friends the Members for Kilmarnock and Loudoun (Cathy Jamieson), for Hayes and Harlington (John McDonnell) and for Birmingham, Erdington (Jack Dromey) have all made that point. The gerrymandering tendencies of the Con-Dem coalition that were so blatantly exposed in the Parliamentary Voting System and Constituencies Bill are permeating other areas of policy making.

The Bill has been drawn up without consulting the work force. The Minister admitted that. Although he tried to wriggle and say, "Of course I've had discussions but, you know, the previous Government had negotiations," he was clearly nailed when that was put to him. There have been no negotiations. The Bill has not been subject to sufficient pre-legislative scrutiny, but that is not particularly surprising, given the experience of the past few months.

This is a bad Bill, which will lead to a bad law. That is why I will vote against it tonight and support the reasoned amendment moved by my right hon. Friend the Member for Dulwich and West Norwood (Tessa Jowell). I call on all Liberal Democrats to have the courage of their convictions and join Labour Members in the Lobby this evening.

9.2 pm

Jeremy Lefroy (Stafford) (Con): I shall be brief, as I have been instructed and as I wish to be. The Bill aims to do something that is necessary—to reform the civil service compensation scheme. I support the aim. It should have been done many years ago. The scheme is not affordable in its current format. But I have a problem with what I have heard in the debate about the Bill being some kind of negotiating tactic. We have been elected to the House as legislators, not as negotiators. It is for Government to negotiate and for Parliament to legislate. I would value the comments of colleagues on that.

The previous Government put a great deal of work into reforming the compensation scheme, which I acknowledge, but it would have been better had they started the process a lot earlier. The work that they put together with the unions was eventually frustrated. The history is known to us all, and I will not repeat it.

I support the statement made by my right hon. Friend the Minister for the Cabinet Office on 6 July—a date that I cannot forget as it was the date of my silver wedding anniversary—that a settlement was required which

"will need to be fair, and in particular to provide a higher level of protection for lower-paid workers."—[*Official Report*, 6 July 2010; Vol. 513, c. 4WS.]

In saying that, the Minister was echoing the comments of the right hon. Member for Dulwich and West Norwood (Tessa Jowell), when she said last year that the changes proposed at the time were aimed at

"protecting the lowest paid civil servants".

It is clear that there is agreement across parties that lower paid civil servants should receive protection. That is only right. I ask the Minister to consider how he can best reflect that through the Bill which we, as legislators, have before us. As it stands, civil servants on all salaries are treated in the same way, with no particular consideration being given to those on the lowest pay. I know that he will have given careful thought to how the sentiments of his words on 6 July can best be reflected. They are the same sentiments that informed the Chancellor's action in the June Budget, when he protected the lowest paid workers from the general pay freeze, as was mentioned earlier.

I, like many colleagues from all parts of the House, want to underline the importance that I place on the work of those concerned. When we speak about people being made redundant in the public sector, we certainly do not want to send out the message that, somehow, it is their fault. If someone is in a job that is no longer necessary or even affordable, we should look at who created that job and why. Governments of all colours have been guilty of being far too quick to take on staff

[Jeremy Lefroy]

for a new scheme without thinking about the long-term future. People are not playthings to be shuffled around on a whim. That is not to say that I oppose flexibility; I welcome it. But flexibility cuts both ways.

My second point concerns civil servants who have been in the public service for many years. A constituent of mine, working for the Ministry of Defence, pointed out that under the Bill he will, with a reasonable length of service, be entitled to the same payout as colleagues who have worked two or three times as long. He had no self-interest in raising that point; he simply wanted to speak up for his colleagues. I am a great respecter of length of service. Dedication and loyalty, whether in the public service, a private company or, indeed, a relationship is almost always something that we should celebrate. I therefore ask the Minister to look at how that can best be reflected in the Bill.

I shall support the Bill, because I know from what the Minister said today that he understands the points that I have made, but I urge all who are involved in negotiating the new settlement to arrive as soon as possible at a sustainable, practical and affordable long-term scheme.

9.6 pm

Caroline Lucas (Brighton, Pavilion) (Green): I too shall be brief, because I know that time is short, and one way in which I can be brief is by associating myself with the eloquent remarks of the hon. Member for Hayes and Harlington (John McDonnell), who is no longer in his place.

I am glad to have the opportunity to speak, as more constituents have written to me to express concern about changes to the civil service compensation scheme than have written to me about any other issue since I was elected in May, so I am very keen to ensure that they are properly represented here today. There is a palpable sense of anger and disillusionment among public servants, and a real feeling that they are being made to pay for an economic crisis that was not of their making.

My constituency in Brighton is home to a large number of civil servants. Under their current compensation scheme, they have accrued rights that will simply be scrapped—torn up and thrown away—by the Government's proposals, despite the court ruling that a failure to recognise accrued rights is unlawful, and that any amendments to the civil service compensation scheme must be made on the basis of agreement by all the relevant unions.

Morale in the civil service is at an all-time low. One Brighton Pavilion resident who came to see me in my constituency a few weeks ago put it like this:

"Many civil servants will, like me, have planned their finances on the basis that their jobs were reasonably secure and that if they did become surplus to requirements they could rely on a particular level of compensation. I have not, for example, taken out any insurance against not being able to continue to pay my mortgage through loss of employment. The government's plans for deficit reduction mean that civil service job security is now very questionable, whilst the Bill puts paid to the second part of my planning assumption. I feel unsettled and vulnerable at this unilateral change in what I had thought was the deal with my employer."

From his words we get a clear sense of a bargain being broken, of a contract being unilaterally torn up and of people being treated as if they were expendable, which is particularly hurtful to many civil servants who have given many years of loyal service. His words also highlight the anxiety and uncertainty that permeates the civil service, particularly those who face a future in which they might not be able to work again.

As many have said in today's debate, the lowest paid will suffer most, and there are many of them. The Minister for the Cabinet Office himself acknowledged that

"large numbers of civil servants are not very well paid—half of them earn £21,000 a year or less".—[*Official Report*, 14 July 2010; Vol. 513, c. 932.]

Yet the scheme before us offers them no protection, and that is the key problem. Its proposals are fundamentally unfair and unjustifiable.

I should like to discuss the context of these changes, because the public sector already faces unprecedented uncertainty in the form of cuts and redundancies under the coalition's policy of deepening and accelerating the previous Government's cuts programme. Surely the very least that the public sector can expect is to be given a proper voice in negotiations and the chance to agree a fair settlement.

As with so many of the swingeing cuts on the table, there is a perception that the planned changes to the civil service compensation scheme are not just about saving money; they are also seen by many as an attack designed to weaken the public sector—the same public sector that, for now at any rate, is the backbone of our education system and health service. It also includes civil servants who keep up and running services such as Brighton county court family centre, the Brighton and Hove learning partnership and the city's benefits service.

I end by pondering the irony of the fact that so many of the civil servants who will be adversely affected by the planned changes to the compensation scheme and to jobs, and by the service cuts, actually work for Her Majesty's Revenue and Customs. Surely it would be much fairer to help reduce the national deficit by keeping those HMRC workers in their jobs and enabling them to collect and crack down on the £100 billion a year in unpaid and dodged taxes—tax evasion and tax avoidance. That would save public sector jobs and protect working conditions in the process.

In the meantime, it is clear tonight that many of us are not prepared to stand by and see the vast majority of the civil service pay disproportionately for the economic crisis. That is why I shall vote against the Bill.

9.11 pm

John Hemming (Birmingham, Yardley) (LD): I am 50 years old and have employed people for about half my life. My company was quite lucky relatively recently; we consulted with staff and were able to agree a deal under which there were no redundancies. However, I had to make redundancies in the early 2000s, and it is not a nice thing to go through, although obviously it is a lot worse to be made redundant.

We need to be aware that at the end of this process some people will lose their jobs. The challenge in politics is the national cake, and to some extent the political process can affect how that is divided. Our difficulty now is that we have to get a time machine and borrow from our children some slices that will be baked in future so that we can put them towards the national

cake today. The real challenge is how we get, over a period of time, to the stage at which the amount of cake baked every year is the amount consumed every year.

How do we do that in a just manner? The Opposition have argued that our attempt unilaterally to challenge the contract with the civil service is unfair, whereas their attempt unilaterally to challenge the contract with the civil service was fair. They have argued with our proposals, but those are far more generous than the conditions for the staff of Members of Parliament, for instance. Those staff are all hard-working, but they are subject to the statutory redundancy scheme. Birmingham city council also operates the scheme. My wife works for British Waterways, a public body that also operates that scheme.

Basically, the Bill creates a negotiating position that means that the trade unions cannot veto any agreement. That is the normal situation for employers. Employers can present their staff with a new contract, and the staff have either to take it or leave it. That is what has happened in all the pay and grading reviews in local government across the country. Pretty well all local government employees have gone through the process of being presented with a new contract. What is happening now is that a new contract is being presented. We have said that we are aiming to protect the lower-paid. The most important thing to try to do is protect people against unnecessary redundancies. That is the critical thing.

If six years' redundancy has to be paid to somebody, how can things be reorganised in a cost-effective manner? They cannot. Even paying three years' redundancy creates a major problem because it costs more that year to make somebody redundant than to continue to employ them. That means that those not covered by the redundancy schemes are the ones to whom people go to find the savings. That does not seem fair.

Chris Williamson: The hon. Gentleman is arguing that we should indulge in a race to the bottom—it is about the lowest common denominator.

John Hemming: I do not think we should indulge in a race to the bottom. It needs to be recognised that this is the Government's opening position. People who argue that we should propose the final solution here in Parliament are obviously no good at playing poker; one does not reveal one's hand. We cannot expect the Minister to say, "We'll settle for X." The Government need to have a negotiating position, and the trade unions cannot be in a position whereby they can veto it—that would be absurd.

We need to think about our employees. I have always been concerned about the people whom I employ personally, and in the same way we should be concerned about those whom we employ collectively through UK plc. Options that may not cost the Government much money could be looked at to improve the situation. For example, constituents of mine who are civil servants have raised the issue of two civil servants living in the same household who are both under the threat of redundancy. I ask the Minister to consider whether it would be possible for one such civil servant to nominate the other, so that if one of them were made redundant the other would be protected against redundancy. Then at least the household would not lose both incomes, but only one. That would be an example of flexibility. It would not necessarily cost the Government any money, but it would protect people from the worst aspects of this process.

Similarly, in certain circumstances people might like to move towards a job share if the Government were willing to pay them a sum of money for that reorganisation, which might cost less than voluntary or compulsory redundancy. That would reduce the wages bill and the deficit without necessarily putting people in a very difficult personal position. We need to work with employees to try to minimise the effect on people.

Mrs Mary Glindon (North Tyneside) (Lab): As a former PCS worker and someone who until April this year was earning £15,300—I worked in the Child Support Agency for 18 months—I find some of the things you are saying quite offensive. Every worker has a right to work—surely you do not make decisions about whether a husband or wife, or a partner in the household, has that right.

Furthermore, if the Bill is rejected tonight, proper consultation might be re-entered into. I took industrial action against our former Government. I voted for that action having been consulted by the union and following the procedure that the Government started with us in 2009. I e-mailed the then Minister and went through all that process. What you are saying is contradictory. You are saying that people should be consulted, but only after a decision has been made. Do you not think—

Madam Deputy Speaker (Dawn Primarolo): Order. Address the Chair, and briefly, please.

John Hemming: I am suggesting that the Government could try to ensure that there are not two redundancies in the same household, whatever circumstances we are in. We all accept that redundancies are going to occur in the public sector, so why cannot we try to minimise the effect on households by ensuring that both partners need not be made redundant?

Similarly, there are opportunities whereby people can transfer to the private sector. Obviously the objective is to help people to find jobs in the private sector. A severance fee, equivalent to voluntary redundancy in some senses, paid when people find a job in the private sector could be a way of reducing costs to the public sector but doing so in a way that does not make public servants suffer. At the end of the day, we should be thinking about the effect on the public servants who work hard for this country. We need to recognise that and work in partnership with them.

There are all sorts of opportunities within my own company. I have had people take sabbaticals in the past. In certain circumstances the employer will say, "We can plan for that person to go away for a year and then come back." It suits them to do that, it has reduced the cost to the public purse, and it is in the interests of the employee. Possibilities can be considered, in partnership with the work force, that improve the situation so that everybody wins.

As a consequence of the reduction in the national cake—gross domestic product or however one wishes to see it—we face a very difficult situation that has to be dealt with. The Labour party has proposed its own version of a unilateral contract change and we have a different version, but something needs to happen. I will support the Government tonight, because I agree with the exact proposals put forward in the Bill. We need a negotiating position so that the trade unions cannot

[John Hemming]

veto any changes, and I have responded clearly to my constituents by saying that I do not think the trade unions should have a veto on contractual changes. The time has hit 20 minutes past, so I shall finish by saying that I shall support Second Reading.

9.20 pm

Katy Clark (North Ayrshire and Arran) (Lab): Thank you, Madam Deputy Speaker, for giving me the opportunity to make the last Back-Bench contribution to the debate. Some of the contributions that we have heard from the Government side of the House have been quite astonishing, and many of the civil servants who will be directly affected by what we are debating must have been amazed by some of the things that they have heard.

As always since the general election, coalition Members are trying to blame the economic policies of the previous Government for the economic crisis that the whole world has been in. I sometimes had different views from some of my Front-Bench colleagues about the economic strategies that I wanted the Labour Government to pursue, and in particular I would have liked them to intervene to regulate the banks earlier and deal with issues such as bankers' bonuses and the financial sector. However, low-paid civil servants were not to blame for the economic downturn, nor indeed were the economic policies of the Labour Government.

We are here today debating not how to deal with the high pay of those in the banks, which have had huge public investment, or bankers' bonuses or bank regulation, but issues associated with the estimated 600,000 public sector workers who will lose their jobs if the Government carry out the policy that they have outlined. Today we are talking about civil servants, but I believe that in a few weeks or months we will be back here talking about how the Government want to erode the terms and conditions of workers in other parts of the public sector as well. That is shameful, and it is particularly appalling that those on the lowest salaries in the public sector should have their terms and conditions eroded because of the difficult situation that we are in. It is also appalling economic policy, because in many parts of the country where civil servants and other public sector workers are going to lose their jobs, there are no other jobs available.

The Minister said that half of all civil servants affected by the scheme earned £21,000 or less, and the Government also seem to accept that the provisions in the Bill for those workers are not fair. They themselves say that they want to offer something better, although we have heard no detail today and have been asked simply to trust that the Minister will do what he can to get a better deal for those people.

We have to deal with the realities in the Bill as presented, and the reality is that the amount of money that many people get now if they are made compulsorily redundant or take voluntary redundancy in the public sector is not sufficient to take them through to the time when they can get another job. If the provisions in the Bill go through, they will lead to a lot of people living in poverty. People will lose their homes, as at least one Member described in outlining the circumstances of an individual civil servant, and they simply will not be able to cope. Those who will be in the most difficulties may well be those who would currently be entitled to three years' compensation—older workers who have worked in the public sector for a very long time. In the world we live in, they will not be able to get another job. We all know the difficulties in which older workers find themselves when they seek alternative employment.

It may be that the current provisions are good for some individuals on the highest terms, conditions and pay, but if we compare jobs like for like, we will see that graduates who have worked hard for many years in the civil service probably would have received a better remuneration package had they worked in the private sector. At the same time, many of those on the lowest incomes, such as women cleaners and women who look after young children in nurseries, probably have a more attractive package in the public sector, because they earn more than the minimum wage, and have sick pay, pensions and protection provisions of the kind addressed in the Bill. Those are the people whom we should defend. We should not tell them that if they worked for the minimum wage for the worst private employer, they would have a worse deal than they have in the public sector. We should drive standards up, not use the current economic difficulties as an excuse to implement such policies. Some in the Conservative party who set the agenda wanted those policies irrespective of the economic conditions. I am therefore pleased to hear that some Liberal Democrat Members will take a stand on this matter. We are considering the Bill today only because many Conservative Members would impose such terms and conditions irrespective of the economic conditions.

The Bill will be fast-tracked through Parliament as a money Bill, which we should discuss, because it is just one of many measures that will erode the terms and conditions of some of the lowest paid in the public sector. In many of the communities that we represent, there will be devastation if the proposed cuts in public services happen. Facilities for which individuals and communities have fought for generations, including community centres and libraries, will close. There will be no alternative jobs for jobcentre workers who lose their jobs as a result of the Bill. I suspect that, if we do not pay for people to do jobs, it will cost the state a great deal more in benefits and other support that it must provide.

The Bill is wrong morally in that it effectively unilaterally changes contracts of employment, but it also bodes ill for the future. If that is how the Government intend to conduct industrial relations in the public sector, we have a very bumpy ride ahead. The comprehensive spending review is coming up, and civil servants know that many of their heads are on the block. They are distraught at the proposals. I hope that they go out after this debate and tell their representatives, particularly those on the Government Benches, how they feel about their policies. The Bill is not good for the public sector or the private sector, because it says that we need to take everybody down to the lowest standards and that it is okay to rip up contracts. People who have worked for an employer for 20 or 30 years may have done so on the understanding that they have a contractual entitlement to a particular package if they lose their job, but the Government believe that it is completely acceptable to come along, rip that up and say, "We're going to give you a lot less."

I hope the Government are defeated tonight. Even if they are not, they have a struggle ahead, and I hope that they are defeated when we debate the Bill again.

9.29 pm

Paul Goggins (Wythenshawe and Sale East) (Lab): We have had a good and thorough debate, with some thoughtful and powerful contributions from Members on both sides of the House, including my hon. Friends the Members for Edinburgh East (Sheila Gilmore), for Glenrothes (Lindsay Roy), for Derby North (Chris Williamson) and for North Ayrshire and Arran (Katy Clark), as well as the hon. Member for Brighton, Pavilion (Caroline Lucas).

The difficulty that we face as we prepare to vote on this issue is that the words we have heard from the Dispatch Box are very different from those that are written in the Bill. On 14 July, the Minister for the Cabinet Office set out his approach to the reform of the civil service compensation scheme. He said:

"I want to engage with the unions quickly to develop a scheme that protects the lowest paid...we need to negotiate".

When I pressed the Minister to take the previous Government's reform package as the starting point for those negotiations, he accepted, as he did again at the Dispatch Box this afternoon, that had

"that scheme been in existence when the coalition Government came into office, a pressing case would have been made to leave it as it was and work on that basis."—[*Official Report*, 14 July 2010; Vol. 513, c. 932.]

It was a good beginning, with an acknowledgement of the merits of the previous Government's reform package, set out in February, and a clear undertaking to protect the lowest-paid.

Unfortunately, our hopes were dimmed when this draconian Bill was published just 24 hours later, with no prior consultation with staff or the trade unions. The Minister was open and transparent about the purpose of the Bill. He said that it is not the final word. Indeed, in a phrase echoed by my hon. Friend the Member for Birmingham, Erdington (Jack Dromey), the Minister described the Bill as a "blunt instrument". It contains a sunset clause and powers to repeal at any stage. In no sense is it a reformed scheme: it simply places a cap on the existing unreformed scheme. It means, typically, that a civil servant earning £21,000 a year who is made compulsorily redundant and who would get £63,000 under the existing scheme—and would have got £60,000 under the February 2010 scheme—will get just £21,000. Someone earning £18,000 who would have got £54,000 under the existing scheme or the February 2010 scheme, will get just £18,000.

The truth, which has been freely acknowledged by Ministers, is that the Bill is a negotiating device to ensure drastic cuts in the civil service compensation scheme. But as legislators we have to ask what will happen if those negotiations do not succeed. The Chair of the Public Administration Committee, in a thoughtful speech, warned about the dangers that might lie ahead in terms of legal challenge and delay. It is good to know that he and his Committee will keep a watchful eye on this legislation and other matters.

My hon. Friend the Member for Hayes and Harlington (John McDonnell), who chairs the PCS parliamentary group, has described this Bill as a landmine Bill, and he set out his definition of that. Whether that is true or not, there are real dangers if this Bill passes through Parliament while parallel negotiations go on outside that remain uncertain and, if unsuccessful, could create real resentment among those whom they affect.

There is no argument from my party about the need for reform. Indeed, we engaged in considerable detail in those reforms before the election. The focus of our reform was the vast majority of civil servants who do vital work on the front line of our public services. They include those who work in jobcentres trying to reconnect unemployed people with work; those who work in our prisons dealing with difficult and dangerous offenders and ensuring that our communities are safe places to live; and those who deal with tax credit claimants, ensuring that families have at least a decent minimum income on which to live. Most of those people, as we have heard from many hon. Members, work for modest rewards. Indeed, the Minister has said on several occasions that half of all civil servants earn £21,000 a year or less.

I genuinely want to give the right hon. Gentleman the benefit of the doubt—that is my starting point. I want it to be true when he keeps repeating the claim he makes in the Chamber and the media that he wants to protect the lowest-paid, but at some point those words have to turn into action, and he has to put flesh on the bones. My real concern this afternoon is that his comments have raised expectations above anything that his Government are likely or willing to deliver.

In particular, I urge the right hon. Gentleman and his ministerial colleague, the Parliamentary Secretary, Cabinet Office, the hon. Member for Ruislip, Northwood and Pinner (Mr Hurd), to look again at the proposal that the previous Government agreed with five of the six trade unions, and which even now could provide a realistic, practical starting point for negotiation with all six of the unions—namely, that any civil servant on a salary of less than £20,000 a year who is made redundant would be entitled not to 12 months' or 15 months' salary, but to three years' salary. Labour Members will be tabling an amendment to that effect in Committee, and I encourage the Minister to indicate this evening that he and his colleagues will, when that moment comes, show that they mean what they say when they talk about protecting the low-paid and support that amendment. At the very least, that would be a clear indication, in their discussions and negotiations with the trade unions, that they are acting in good faith and mean it when they say that they want to protect the lowest-paid.

My hon. Friend the Member for East Kilbride, Strathaven and Lesmahagow (Mr McCann) was among a number of Members on both sides of the House who reminded us that this debate and these proposals come before us in the context of deficit reduction, so it is important to remind the House, as my right hon. Friend the Member for Dulwich and West Norwood (Tessa Jowell) made clear, that our reform package would have saved £500 million over three years. The Government have pledged that, however tough life becomes as a result of the cuts that they introduce, fairness will be the watchword. How many times have we heard that from the Government Front-Bench team? But what is fair about the regressive provisions in the Bill that mean that maximum redundancy payments mirror exactly what an individual earns? If someone earns £100,000 a year, under the terms of the Bill their payment would be £100,000. If someone earns £50,000, the payment would be £50,000. And if someone earns £20,000, it would be £20,000, not the £60,000 promised in the reform package that we negotiated and set out in February.

[Paul Goggins]

What is fair about a set of negotiations carried out against the backdrop of a Bill that threatens severe cuts if the trade unions do not agree to a new scheme that dramatically reduces the provisions in the civil service compensation scheme? And what can be fair, as the hon. Member for Southport (Dr Pugh) asked pointedly, about unilaterally rewriting a contract with staff, either from a moral or even perhaps a legal standpoint?

Mr Reid: I agree with much of what the right hon. Gentleman is saying, but surely the Labour party believes in reforming the present system, so should it not be supporting the Bill on Second Reading, moving its amendment and then voting against it on Third Reading only if that amendment fails?

Paul Goggins: Absolutely not. Our starting point is, and the Government's starting point should be, the February 2010 proposals agreed by the then Government with five of the six trade unions, not this miserable backstop provision in the Bill.

Martin Horwood *rose—*

Paul Goggins: I will take one more intervention, but the Minister wants to wind up and we have to reflect the debate, which has been a good debate. However, I will happily give way.

Martin Horwood: Is the right hon. Gentleman seriously suggesting that the starting point for this process should be something that has already been declared illegal?

Paul Goggins: The reasons it was declared illegal relate to the standing of the original legislation—the Superannuation Act 1972—and there is nothing preventing the Minister for the Cabinet Office and his colleague the hon. Member for Ruislip, Northwood and Pinner from sitting down tomorrow with the six trade unions and taking our February 2010 proposals as the starting point for negotiations. I urge the right hon. Gentleman to do that—he is in his place now. I was just reminding the House that he accepted that had the proposals gone through before the election, there would have been a pressing case for leaving it well alone. We are where we are, but it is fair to suggest that that could be the starting point for negotiation.

I ask again: what is fair about sending a message to loyal, dedicated, hard-working staff that they would be better off if they decided to go voluntarily, rather than staying in the job that they are committed to and running the risk of being made redundant compulsorily, resulting in a 20% reduction in the payment that they would receive? My hon. Friend the Member for South Down (Ms Ritchie) asked what was fair about deep cuts in the conditions of staff who run the very services on which those with the least in our society depend, including jobcentre staff and those who deal with tax credit claims.

I shall turn now to what I regard as the misuse of a Bill in the pursuit of these draconian changes to the civil service compensation scheme. I particularly commend the pertinent comments made by my hon. Friend the Member for Kilmarnock and Loudoun (Cathy Jamieson), who has considerable experience as a Minister in Scotland. Mr Speaker, you will be pleased to know that I shall not comment on whether or not this should be a money Bill. I am sure that you will take advice on that and make your decision when the Bill finishes its proceedings in this place. I am sure that you will not need advice from me; you will get it from others.

Having heard the promise of so many reforms and changes, it was bizarre, so early in this Parliament, to hear Ministers openly saying that they hoped they would never need to use the Bill. How bizarre is that, so early in the Parliament? Government Bills should be about putting policy into legislation, not about providing negotiators with a backstop bargaining chip, especially when so much about the Bill remains unclear and uncertain. The 12-month and 15-month caps are entirely arbitrary; they have been plucked out of the air. No rational explanation has been given, and no evidence brought forward, to explain why those time periods have been chosen. The equality impact assessment does not even acknowledge the potential impact on older and longer-serving civil servants, who stand to lose huge sums of money and who might very well be those who find it the most difficult to find alternative employment.

Ministers cannot tell the House how much money would be saved as a result of the Bill, because they do not yet know how many civil servants will be made redundant as a result of their cuts. Perhaps the Minister could say a little more in his winding-up speech about the negotiations. I recognise the constraints involved, and I do not expect him to carry out negotiations across the Dispatch Box this evening, but even an indication about the mood of the negotiations would assist hon. Members. Are Ministers close to agreement? Does the Minister believe that the Bill will actually be needed? When are the next meetings scheduled to take place? Does he expect to be able to come back after the conference recess and tell us on Report that substantial progress has been made, and that we might not need the Bill after all? If he is not going to table amendments when the Bill goes into Committee—the Minister for the Cabinet Office indicated that it was not his intention to do so—will he heed the advice of the hon. Member for Vale of Glamorgan (Alun Cairns) that he should go as far as he can to indicate the kind of measures that he and his colleagues are considering?

My hon. Friend the Member for Hayes and Harlington is right: it is unacceptable to expect hon. Members to vote for a Bill that is so far-reaching in its impact without knowing the detail of the provisions that sit beside it. If the Minister cannot go a little further in providing that detail, I believe that any sensible Member will be forced to conclude that words about fairness are just that, and that the only way to vote tonight is in favour of the reasoned amendment and against the Bill.

9.44 pm

The Parliamentary Secretary, Cabinet Office (Mr Nick Hurd): This has been a serious debate. It has been very sober in tone, and that is entirely right because we all know that there is tremendous anxiety out there about job losses and potential changes to the compensation scheme. Many Members have received representations on this matter, and many came to the House today to express strong constituency interests. They included my hon. Friends the Members for Cheltenham (Martin

Horwood), for Stafford (Jeremy Lefroy) and for Vale of Glamorgan (Alun Cairns), and they represented those interests very strongly.

What was striking as I listened to the debate was the consensus about the need for reform. That was not seriously questioned. The issue before us, then, is how, in seeking to reform the compensation scheme, we strike the right balance in treating fairly civil servants who lose their jobs or give them up voluntarily. As was stressed consistently throughout the debate, particularly by my hon. Friend the Member for Gloucester (Richard Graham), the issue is especially important to the large number of civil servants who are not well paid. How do we strike the right balance between being fair to them and discharging our responsibility to the taxpayer at a time when there is tremendous pressure on the Government to get public spending under control, as my hon. Friend the Member for South Staffordshire (Gavin Williamson) emphasised? My hon. Friend the Member for West Suffolk (Matthew Hancock) was entirely right to introduce the concept of fairness to future generations when talking about the need to get the deficit under control and tackle it with vigour.

As for the case for change, my right hon. Friend the Minister for the Cabinet Office made the Government's starting position very clear. This legislation is not an attack on the civil service. Many Members have placed on the record their appreciation of the crucial work undertaken by civil and public servants every day and across all Government Departments, and no one recognises that more than a young, new Minister with no experience of Government who relies on civil servants and the dedication and support that they give.

We simply believe that the current arrangements for compensating civil servants are unaffordable and unsustainable. My hon. Friends the Members for West Worcestershire (Harriett Baldwin) and for Vale of Glamorgan were right to express the surprise that their constituents would feel on understanding that in this day and age public servants are eligible to receive payment of up to three times their annual salary or, for older workers, enhancements to pensions and lump sum payments costing more than five times their salaries. That seems disconnected from constituents' experience of the real world, disconnected from statutory terms—a point well made by the hon. Member for Birmingham, Yardley (John Hemming)—and clearly out of kilter with terms in the private sector, as my hon. Friend the Member for Devizes (Claire Perry) argued.

The view of the coalition Government is that the status quo is unacceptable. As we made clear in the coalition programme, we want to bring this scheme more closely into line with that of the private sector. Critically, that view was shared by the previous Government, who tried to reform the scheme honestly, but ultimately without success. That view was apparently shared by five of the six unions involved in the negotiations, as they agreed to the package on offer. The case for change seems to have been accepted by the majority of speakers.

On affordability grounds alone, a responsible Government dealt the hand that we have been dealt on the public finances would have had to take action. As my hon. Friend the Member for West Worcestershire pointed out, there is also a risk of the current situation distorting decisions and creating unfairness. We do not want to take decisions on people's future based on how easy or cheap it is to make them redundant. The effect of the current scheme is to make it particularly expensive to make the highest-paid public servants redundant. We do not want uncertainty to drag on, as it is bad for everyone and will breed only more insecurity. We want the uncertainty to end decisively.

As I said, I heard no serious arguments against reform. The debate on the Opposition side, honest as it was, was mostly about process and how the Government are going about this business. Strong reservations were made about the possible certification of the legislation as a money Bill, but that is clearly a matter and a judgment for you, Mr Speaker, at the end of the Bill's passage.

My hon. Friend the Member for Harwich and North Essex (Mr Jenkin), the Chairman of the Public Administration Committee, raised concerns about the risk of a legal challenge to the Government's approach and wanted comfort on the robustness of our legal advice. He will be aware that trade union members and some hon. Members have placed on record the risk of a legal challenge, so he will not expect me to go into the details of the legal advice. I can confirm, however, that it is robust.

The main argument from Labour Members was, "Why not go back to the deal that was almost struck? Why not amend the legislation so as to impose the terms agreed with the five unions earlier this year?" The truth is that the previously agreed terms were struck down by the courts and were not accepted by the Council of Civil Service Unions. Although those terms had much to recommend them, we would prefer not to see some aspects in the new scheme—for example, compulsory terms more generous than those on voluntary departure. Rather than embedding the scheme in primary legislation, we have sought to limit the costs of the current scheme while discussing the contents of a new scheme.

While I understand the concerns expressed by many Members about process, I believe that there is a danger of missing the central point. Reform is necessary—the status quo is not an option—and we want to achieve reform through negotiation. The Minister for the Cabinet Office has informed the House of his meetings with the Council of Civil Service Unions on 13 July, and of an imminent meeting. There are ongoing discussions almost daily, which he has described as genuine and sustained. We have sent a clear signal of flexibility on terms for voluntary redundancy, and have expressed a clear determination—this will be important to the House, given the concerns that have been expressed—to agree on terms that are fair to the lower paid. The model that we are exploring seeks to taper the protection given to the very lowest paid, but the limits and thresholds of such protection are clearly a matter for detailed negotiation, and should not be the subject of speculation in the House.

Why is the Bill necessary? It is necessary until we can reach an agreement with all the unions, because the current position enables them to veto any meaningful reform—a point grasped by the hon. Member for Birmingham, Yardley and many others—and they have demonstrated a willingness to use that power. Until we have secured agreement, we would be failing in our duty to the taxpayer if we retained the status quo and did not address the excesses.

[Mr Nick Hurd]

The Bill does not itself introduce a new scheme, but merely limits the amounts that can be paid out under the terms of the current scheme. We have made it clear that those limited amounts represent the absolute minimum that the Government are prepared to offer staff. My hon. Friend the Member for Harwich and North Essex described that as an austere statutory base, but what was not mentioned was that the Bill makes it possible to adjust the amounts in one direction only, namely upwards. The Government seek to provide an example for other employees on good practice in relation to staff issues, and therefore have no desire to limit payments to the statutory minimum. The Bill caps the amounts to be received by staff departing on voluntary terms to payments calculated under the current terms, but limited to a maximum of 15 months' pay. For those who are formally dismissed, the limit will be 12 months' pay.

The Bill contains a sunset clause, and its effect can be brought to an early end if we are able to agree on a new scheme. We genuinely hope that that will happen. My hon. Friend the Member for Harwich and North Essex asked about the need for a sunrise clause as well as the sunset clause. I think it is impossible for us to be sure of every circumstance that could lead to a need to revive the Bill. The Government are therefore keen to maximise their negotiating flexibility. If we are unable to agree on a new scheme with the unions, the Minister for the Cabinet Office will have to renew the caps every six months by affirmative resolution.

The tone of the debate was extremely serious and consensual when it came to the need for reform, but I took exception to the suggestion by some Labour Members that the Government had no sensitivity in relation to the human consequences that might be forced on them. Labour Members chortle, but that suggestion is offensive to any Member on this side of the House. I do not think that anyone goes into politics to make other people redundant, except their direct political opponents. It is deeply offensive to ascribe the wrong motives to the Government. The coalition's priority is to reach a long-term agreement on a new scheme with all the unions involved: an agreement that is fair to the civil service and fair to the taxpayer. The Bill is needed in case we are unable to reach such an agreement. It introduces caps so that we can limit the costs of the current scheme while we discuss the content of the new scheme.

John McDonnell: I do not intend to embark on any party-political knockabout during the last few minutes of the debate. A key issue raised was process, which is important because it can demonstrate fairness. One of the failures of the House in the past has been the way in which it has rushed through legislation. A lack of scrutiny, both here and in the other Chamber, undermines the potential for good legislation.

The Speaker will determine whether this is a money Bill, but the Government have designated it thus, and I should be grateful if the Minister would clarify the reason for that. Given the definition in "Erskine May" of a money Bill, I see no reason why a Superannuation Bill can be so designated. I think it would be useful to rehearse the arguments in front of the Speaker, so that a wise decision can be made.

Mr Hurd: I understand the argument. It is based on the fact that this is about money and public expenditure, but as the hon. Gentleman knows the main point is that my view is irrelevant because it is the judgment of the Speaker that counts and the Speaker will make his judgment before the Bill completes its passage through Parliament. It is ultimately a matter for the Speaker to decide.

Matthew Hancock: Whatever the result of the vote on the amendment, the Minister is right to say that the tone of the debate all day has been in favour of reform of some kind, so is he as surprised as I am that we have just heard from the Opposition Front Bench that they will vote against the whole Bill, which means they will be voting in favour of £500,000 payouts to some at a time of such economic difficulty?

Mr Hurd: My hon. Friend makes an important point about the lack of coherence in the Opposition's position. They have set out clearly, and confirmed today, that they recognise the need for reform—and we have paid full tribute to the very honest effort they made when in government to reach an agreement. They recognise the reality of the situation, which is that effectively one union is holding the situation and the process hostage, and in all responsibility to the taxpayer we cannot let that continue. We have to break the deadlock, and that is the purpose of this Bill. It is needed in case we are unable to reach an agreement with the unions. It introduces caps so that we can limit the costs of the current scheme and we can go about the very serious business of reducing public expenditure while we discuss the contents of the new scheme. The critical point is that the Government's aim is to reach an agreement that is sustainable through negotiation. Those negotiations are ongoing and vigorous, and they are being held in good faith.

Mr Jenkin: Will my hon. Friend take this opportunity to correct the Opposition on one other point, which is that it would not in fact be possible to return to the February settlement because that has, effectively, been nullified by the courts? Even if all the unions now agreed to the February settlement, that settlement has been kyboshed by the courts, and even if they had agreed to it at the time, had there been a challenge in the courts and it had been successful—and it would have been—that would have nullified the settlement. This Bill is therefore indispensible.

Mr Hurd: My hon. Friend makes an extremely good point and he states a fact that I have placed on the record before: that the previously agreed terms were struck down by the courts and were not accepted by the Council of Civil Service Unions. The deal failed, and there is no guarantee that it would succeed in future.

Paul Goggins: It is important to be clear about this. The ruling was not about the content of what was proposed by the previous Government and agreed by five of the unions; it was about the fact that the legislation did not allow the Government to compel the solution. It is important that Members are clear about that before they vote tonight.

Mr Hurd: And our intention is to negotiate an agreement. This Bill is not the endgame. It is an interim measure which we hope to repeal as soon as possible, and it is on that basis that I commend the Bill to the House.

Question put, That the amendment be made.

The House divided: Ayes 240, Noes 329.

Division No. 54] **[9.59 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Elman, Mrs Louise
Engel, Natascha
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Ritchie, Ms Margaret
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Weir, Mr Mike
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David

Tellers for the Ayes:
Mr Dave Watts and Kerry McCarthy

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen

Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth

Turner, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Norman Lamb and Stephen Crabb

Question accordingly negatived.

Question put forthwith (Standing Order No. 62(2)). That the Bill be now read a Second time.

The House divided: Ayes 326, Noes 244.

Division No. 55] **[10.14 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti

Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
James Duddridge and Norman Lamb

NOES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Ellman, Mrs Louise
Engel, Natascha
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hood, Mr Jim
Hopkins, Kelvin
Horwood, Martin
Hosie, Stewart
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget

Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Ritchie, Ms Margaret
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Russell, Bob
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Ward, Mr David
Watts, Mr Dave
Weir, Mr Mike
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David

Tellers for the Noes:
Kerry McCarthy and Lyn Brown

Question accordingly agreed to.
Bill read a Second time.

SUPERANNUATION BILL (PROGRAMME)

Motion made, and Question put forthwith, (Standing Order No. 83A(7)).

That the following provisions shall apply to the Superannuation Bill:

Committal

1. The Bill shall be committed to a Public Bill Committee.

Proceedings in Public Bill Committee

2. Proceedings in the Public Bill Committee shall (so far as not previously concluded) be brought to a conclusion on Thursday 16 September 2010.

3. The Public Bill Committee shall have leave to sit twice on the first day on which it meets.

Consideration and Third Reading

4. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion three hours after the commencement of those proceedings.

5. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion four hours after the commencement of proceedings on consideration.

6. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading. *—(Jeremy Wright.)*

The House divided: Ayes 307, Noes 244.

Division No. 56] **[10.28 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Browne, Mr Jeremy
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kris
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunter, Mark
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid

Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Prisk, Mr Mark
Pritchard, Mark
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stephenson, Andrew
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Watkinson, Angela
Weatherley, Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Stephen Crabb and James Duddridge

NOES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Berger, Luciana
Betts, Mr Clive
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Bone, Mr Peter
Brooke, Annette
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Gregory
Campbell, Mr Ronnie
Caton, Martin
Clark, Katy
Clarke, rh Mr Tom
Clwyd, rh Ann
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Dodds, rh Mr Nigel
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Durkan, Mark
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Ellman, Mrs Louise
Engel, Natascha
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hancock, Mr Mike
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hollobone, Mr Philip
Hood, Mr Jim
Hopkins, Kelvin
Horwood, Martin
Hosie, Stewart

Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lewis, Mr Ivan
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
MacNeil, Mr Angus Brendan
Mactaggart, Fiona
Mahmood, Mr Khalid
Mahmood, Shabana
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McClymont, Gregg
McCrea, Dr William
McDonagh, Siobhain
McDonnell, Dr Alasdair
McDonnell, John
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reid, Mr Alan
Reynolds, Emma
Ritchie, Ms Margaret
Robertson, Angus
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Mr Frank
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Russell, Bob
Seabeck, Alison
Shannon, Jim
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Turner, Karl
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Ward, Mr David
Watts, Mr Dave
Weir, Mr Mike
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williams, Roger
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Woolas, Mr Phil
Wright, David

Tellers for the Noes:
Kerry McCarthy and Lyn Brown

Question accordingly agreed to.

Crayford Station (Access)

Motion made, and Question proposed, That this House do now adjourn.—*(Jeremy Wright.)*

10.43 pm

Mr David Evennett (Bexleyheath and Crayford) (Con): I welcome the opportunity to raise my concerns and those of my constituents about the decision taken by Southeastern not to proceed with plans to create step-free access at Crayford station in my constituency.

Southeastern was presented with a simple, cost-effective scheme that could have been implemented quickly and would have made a real difference to commuters and others. Its decision not to proceed, motivated purely by money and fare revenue, will cause continued inconvenience to rail travellers with mobility problems, particularly the elderly and families with pushchairs. I am really disappointed that Southeastern is letting down so many vulnerable customers.

By way of background, I shall explain that Crayford station is one of four stations located in my constituency, the others being Bexleyheath, Barnehurst and Slade Green. There are eight others located around the borough that Bexley residents also use. Each of those stations is operated by Southeastern as part of the integrated Kent franchise.

Crayford is a zone 6 station used for about 1.3 million journeys every year, serving London Charing Cross and London Cannon Street. Although 40,000 fewer people used Crayford station last year due to the recession, many more people—some 300,000—are using the station than did so in 2003-04. That is partly due to new developments and investment in Crayford town, which has been transformed over the past 20 years. With new housing developments such as Braeburn Park and regeneration projects such as the retail park and the greyhound stadium, more people are living and working in the town. There are further developments under way, such as those at the back of Crayford town hall, the plans for the former Samas Roneo factory site in Maiden lane, and the new Crayford academy, which is currently under construction in Iron Mill lane. That will increase the number of people who live in the area and who have the opportunity to commute or travel from Crayford station, and it is great news for the town, which is a historic and distinct town that is growing and improving. As part of the London borough of Bexley, it is a desirable place to live and work.

To be fair, the station has been partially upgraded, but with a relatively small further improvement, it could transform the opportunities for, and the ability of, those with mobility difficulties to use public transport. The Minister will know that following a successful campaign to have step-free access installed at Barnehurst station, I was contacted by many of my constituents, particularly Mrs Barbara Gray, as well as by local councillors Melvin Seymour, Howard Marriner and Eileen Pallen, who like me are concerned about the lack of step-free access at Crayford station.

The London-bound platform at Crayford is step free, but the Kent-bound platform 2 is accessible only via a footbridge back to platform 1 over the railway line. With Crayford growing and attracting new firms and residents, the existing provisions are not satisfactory. At

[Mr David Evennett]

peak times, there is a vast queue to get over the bridge, which causes further problems, and means that those with mobility problems must wait still longer.

Crayford line commuters are therefore undoubtedly at a disadvantage when it comes to step-free access. Of the stations in and around Bexley that trains on that line call at, Crayford is not fully step free, nor is Bexley, which is the next station up, and nor is Albany Park. The first step-free station towards London is Sidcup. On the Bexleyheath line, however, Barnehurst, Bexleyheath and Welling stations are all step free, and only Falconwood is not. There is therefore a great disadvantage for vulnerable travellers on the Crayford line, many of whom are my constituents, although some are resident in the constituency of my hon. Friend the Member for Dartford (Gareth Johnson), who is indeed my long-time and good friend, and who I am pleased to see in the Chamber this evening.

Gareth Johnson (Dartford) (Con): My hon. Friend feels particularly strongly about this issue and is a passionate supporter of transport links into Crayford, and I congratulate him on securing this debate. Does he agree that the priority for Southeastern must be to ensure that passengers are able properly to use the facilities at Crayford station, and that in particular, we need Southeastern to show respect to those passengers who have mobility difficulties?

Mr Evennett: My hon. Friend is absolutely right, and he has taken the opportunity tonight to make that point, as I have, and I hope the Minister will be sympathetic. Southeastern must address those issues for the benefit of those who are less mobile, so that they can use public transport, which we want.

Government funding is, I understand, available for step-free access. The Department for Transport website states:

"The Access for All Programme is part of the Railways for All Strategy, launched in 2006 to address the issues faced by disabled passengers using railway stations in Great Britain. Central to the Strategy is the ring-fencing of"

a certain amount of money

"until 2015, for provision of an obstacle free, accessible route to and between platforms at priority stations."

As you would expect me to say, Mr Speaker, I think that Crayford is a priority station. I also understand that Access for All small schemes funding is available for smaller work programmes such as the one that I propose for Crayford. That is worth up to £250,000 a project, and is a contribution of 50% towards the total cost of the works.

Mark Reckless (Rochester and Strood) (Con): On funding, our constituents who use the Southeastern trains service have particularly high expectations, and investment in the service is quite justified, because for reasons that I do not fully understand, Southeastern was singled out by the previous Government for RPI plus three rather than RPI plus one increases.

Mr Evennett: My hon. Friend makes a good point, on which I will elaborate later in my speech.

I contacted Southeastern about the issue of step-free access at Crayford in May 2009. I was told that Crayford was not included in its works programme for step-free access. Instead, I was offered a telephone number for constituents to call if they wanted help at the station or to get a taxi from the nearest fully accessible station. Helping commuters off the train with a ramp is obviously a good thing, but I do not know whether someone would actually carry a wheelchair over the footbridge to get it to the other side. That is a considerable number of steps, and certainly I have not had any experience of my constituents being offered that service. This means that rail users with mobility problems travelling in Kent would have to go to Dartford station to catch or get off a train. That is not always convenient as it is two miles away from Crayford station.

I was also concerned that I had not seen advertised the telephone number that Southeastern gave me for people with mobility problems to use. So I vigorously pursued the matter, met Mark Gibson of Southeastern at the station and highlighted the problem in person, so that he could see it first hand. I also showed him that there was already step-free access at the side of platform 2, because there was a footpath and a gate that had been used in the past. This gate had been locked to commuters for some time and, regrettably, the footpath had been allowed to deteriorate into a state of disrepair. In my opinion, unlocking the gate and resurfacing the footpath could solve the issue of step-free access quickly, effectively and cheaply. As we all know, money is tight these days and public expenditure tough, but very little money would be needed to open up that opportunity.

It came to light through subsequent correspondence in June and July 2009 with Bexley council that the land that this access point would be on was now owned by Sainsbury's, whose store is near the station, and that the council was exploring options to achieve access over the land. I met a representative of Sainsbury's later in the year, Ben Littman, who was very positive about the scheme. I was advised that the land over which access was necessary would be transferred to Bexley council's ownership as part of an agreement relating to Sainsbury's planning application to extend its store, subject to the necessary surveys and permission. I also learned from the council, not the train company, that £55,000 had been allocated to Southeastern from the national station improvement programme for the scheme, so at this stage—as the Minister will appreciate—things looked positive.

Southeastern had been provided with a simple, cost-effective proposal, supported by me, Sainsbury's, constituents and local councillors; permission for access over the land required for the scheme; a gate already in place; the basis of a footpath; and funding from Network Rail to deliver step-free access. It should have been so simple. Unfortunately, I heard nothing further from Southeastern about the project for some time. What I discovered later was that due to its concerns about lost revenue, it had already decided not to proceed with the scheme. Despite having been allocated £55,000, it was concerned that it would have to spend money on automatic barriers and an Oyster reader system, which would have cost more than the £55,000 allocated, and employ an additional member of staff. But not to worry, it provided me with the same telephone number for constituents

that it had given me more than a year before. I am appalled by the lack of concern for passengers that this attitude displays.

The justification offered by Southeastern for its decision not to proceed does not stand up to scrutiny, and that is why I am grateful for the opportunity to raise these issues in this Adjournment debate. I believe that the continued lack of step-free access at Crayford station, which Southeastern had the opportunity to rectify and failed to do so, is a disgrace of which it should be ashamed.

Southeastern claims that automated barriers are required in order to protect fare revenue. It has not provided any estimates as to how much this lost fare revenue is worth and alludes only to its studies. However, I pointed out that when it installed step-free access at Barnehurst station a couple of miles up the road on a different line, following my successful campaign, it did not put in automatic barriers. I also noted that an uncontrolled access gate to Crayford station's platform 1 was routinely left open for people to walk in and out. So it was all right on one side, but not on the other side of the station, which I thought was very strange. It could not justify to me why the situations were different. I have learned that, since I have been commenting on this issue, it has now quite cynically stopped leaving open the uncontrolled access to platform 1—it has now been locked as well. That is very strange, is it not?

Fare revenue is obviously important to Southeastern, and it claims that the cost of installing automatic barriers would have been prohibitive. I asked how much it would cost over and above the £55,000 it has already been allocated, but I did not get a direct answer other than, "It would probably cost about £12,000". It could not provide an accurate estimate of the cost of installing an automatic barrier with the appropriate cabling, although it thought it would be up to about £100,000. I do not believe the barrier is necessary. In my opinion, it is another red herring. Last year, the Southeastern parent group took over about £1.5 billion in rail revenues, and its operating profit is quite considerable as well. Given the public subsidy, the consistent growth in fare revenue—I note that passenger revenues rose considerably in 2008 and 2009—and the fact that it is making an operating profit in a difficult economic climate, I find it hard to believe that it could not find the small amount of money that would allow it to transform the opportunities for people with disabilities to travel on its trains.

Another reason Southeastern highlighted was that the barriers were necessary to prevent antisocial behaviour and vandalism at the station, but that did not apply in Barnehurst station, where it said that it did not matter at all. I think its reasoning is inconsistent and that it is holding a negative view of Crayford residents—one that I totally disagree with and think is an insult to the people of Crayford. That said, of course, communication is definitely not Southeastern's strong point. I found out about the funding—or the lack of it—and its cancellation from Bexley council, not from Southeastern.

Why would Southeastern not tell me that it was cancelling the project, unless it was afraid of being held to account for its decision? I am advised that the money that Southeastern was given for step-free access is to be delivered to other stations, but it would not tell me which ones. Bromley has been mentioned as a possibility, but a quick look on the Access for All website shows that it was due to get money for that project anyway, so I am still at a loss to know what has happened to the money originally promised to Crayford. I also understand that Crayford was awarded £51,000 in 2007, under the Access for All small grant scheme, to provide level access from the road to the downside platform by resurfacing the disused station approach and installing lighting. So the money was there, but Southeastern chose not to use it, which again is disappointing.

I must mention as a sideline that Southeastern has shown a similarly poor attitude to helping vulnerable commuters at Slade Green station, which is also in my constituency. That is a different station with a different problem. It has step-free access to each platform, but because of the layout of the surrounding area, it is difficult to make the journey from one side of the platform via the road to the other platform. Earlier this year, I met the representatives of the Bexley association for disabled people, who are concerned about access for the disabled at this station. Some of the things there are also simple to resolve. There are no ramps on to the pavement from the set-down area, and there are steps from the bus stop to the set-down area meaning that those with mobility problems have a difficult problem as well. The footbridge is also a problem because it is sloped like a ramp, and it is quite difficult for disabled people to go up and down it.

Again, the response from Southeastern was not encouraging. I was given information that I already knew and was advised that there was an Access for All scheme, but again larger stations got priority. I got the same information about the telephone numbers, so I now have it printed indelibly in my memory. I appreciate that money is an issue for Southeastern, but I think that investment in passengers and the benefit of passengers should be its top priority.

I would like to briefly mention the comment by my hon. Friend the Member for Rochester and Strood (Mark Reckless) about how fares have gone up dramatically and how it was under the last Labour Government that Southeastern was given a derogation to increase fares considerably above the rate of inflation, which has meant that commuters from Crayford and Slade Green have paid considerably more for the same journey. Yet they have not been accommodated when it comes to step-free access or helping people with disabilities to use the station facilities. Now that we know the July rate of the retail prices index, I am naturally concerned as to what the rate increase will be in January for commuters travelling from my constituency. I want to put on record that the Labour Government's allowing huge rises on top of inflation was totally unacceptable and unfair to people in my area.

As I have highlighted at some length, this is an important issue for me and for the people who live in Crayford. I cannot understand why we have been unable to get such a simple improvement, which would transform the opportunities for those with mobility problems. They should not have to have extra help, or travel to another station. They should be able to get on and off the trains at their own station and to commute up to London or out into Kent as they wish. Step-free access would transform the situation, especially at a time when we are encouraging more people to use public transport. It is essential that we give people the opportunity to get on and off the platforms, so that they can use public

[Mr Evennett]

transport. I urge Southeastern to look again at its decision. Others—the council, businesses and other organisations—are investing in the future of Crayford, and I believe that Southeastern should do the same. I very much hope that my hon. Friend the Minister will agree with me, and that he will use his considerable influence to help us to get step-free access for my constituents at Crayford station.

11.1 pm

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I congratulate my hon. Friend the Member for Bexleyheath and Crayford (Mr Evennett) on securing this debate on this important issue for his constituents. I also welcome the supportive comments made by the hon. Members for Dartford (Gareth Johnson) and for Rochester and Strood (Mark Reckless). In response, I would like to set out the measures that the Government are putting in place to improve access to rail travel for people with reduced mobility. While I have this opportunity, I also want to explain the particular circumstances which, unfortunately, have so far prevented enhancement plans for Crayford from being achieved.

The provision of a modern, accessible public transport system in which disabled people have the same opportunities to travel as other members of society is key to improving the life chances of disabled people, promoting social inclusion and making it easier for older people to work or volunteer. We are fully aware that, without accessible transport, disabled people are limited in their ability to access work, to visit friends and family, to participate in leisure activities or to use essential services such as health care and education facilities. That is why successive Governments have taken strong action to ensure that public transport services are increasingly accessible to the large population of disabled people who live in Great Britain, and I believe that the UK's record in this area speaks for itself. I might also add that these issues affect not only disabled people: when I first became a father, the need to carry the buggy brought home to me just how many steps there were in railway stations.

When the railways first arrived in Crayford in the 1860s, they symbolised the future of transport. They were fast, reasonably comfortable and cheap to use. Unfortunately, 19th century railways were not built with the needs of 21st century travellers in mind, and it is only in recent years that serious attention has been paid to making stations more accessible. As my hon. Friend mentioned, the previous Government published the Railways for All strategy in 2006, which set out what the rail industry as a whole was doing to improve access to rail services, particularly for disabled people.

The coalition Government understand the importance of rail stations to passengers' overall journeys and place the highest value on promoting equality and fairness. We realise that accessible stations make a huge difference to people's journey experience, and we remain committed to making further improvements. To date, 148 stations across England, Wales and Scotland have been targeted to receive main scheme funding for an accessible route to and between their platforms. I am pleased to report that the Access for All programme described in the strategy is rolling out across the network, with accessible routes already installed at 42 stations, which are now complete, and good progress being made on the programme nationally. By the end of the current financial year, we expect a total of 65 stations to have been completed.

The busiest stations have been prioritised, as improving these will benefit the largest number of people. The stations have been chosen on the basis of Office of Rail Regulation station usage statistics, weighted by the incidence of disability in the local area based on the 2001 census. As a result, the investment is being targeted at the busier stations in areas with a higher proportion of disabled people. A proportion of the stations were also selected to ensure a fair geographical spread across the country.

As my hon. Friend will know, however, Crayford station was not selected in the main scheme programme. However, since 2006, small schemes funding has also been made available, for which local authorities, train operating companies and other interested groups can bid, to make smaller scale or locally focused access improvements to stations. In total, the small schemes programme has provided almost £25 million of match funding towards investment of almost £100 million supporting improvements to meet local needs at more than 1,000 stations.

As my hon. Friend says, Crayford station already has a level access route to the upside platform. We believe, as he does, that a step-free route could be provided relatively easily to the downside platform as well by resurfacing and making good the disused station approach road. As he knows, in 2007 Southeastern successfully applied for £51,000 of departmental funding towards a project estimated at £102,000 to make this a reality. I am very sorry to say that in March 2008 Southeastern withdrew the application, citing land ownership issues, particularly the fact that the disused right of way belonged to J Sainsbury plc.

We understand, however—my hon. Friend touched on this in his introduction—that an agreement has been reached between Bexley council and Sainsbury's to transfer the ownership of the land to the council and that this will be finalised shortly. This will remove Southeastern's original reason for dropping the scheme and I am therefore disappointed that it is now citing the need to install revenue protection gates as the reason for not providing the required access.

I should add, of course, that the Government support gating as a means to protect revenue and increase security at stations, and the entrance to the London-bound platform at Crayford is already gated, but this should not be at the expense of providing access. The Department has recently commissioned research showing that providing level access to platforms can deliver increased journeys and therefore increased revenues for train operators, so I would like to encourage Southeastern seriously to look at this issue again and to give full consideration to the operational arrangements that would be required to enable access via gates to a new entrance on the other platform. Even if gates are not staffed, there are other examples, such as at Luton, of remote control of gates to entrances where passengers with tickets that cannot operate the gates place their ticket on a screen which is viewed by the operator before the gates are opened.

Small schemes funding was made available again later in 2008 for work taking place during the 2009-10 financial year. I have to report to the House that the Department received no further applications for work at Crayford. Following this debate, I will ask my officials

to ensure that my comments as well as my hon. Friend's are drawn to the attention of Southeastern's managing director, Charles Horton.

I should make it clear that the Access for All programme is in addition to commitments made in franchises and other programmed major station improvements. It also builds on the raising of standards over recent years, including the requirement on train operating companies to take account of accessibility standards in the code of practice on train and station standards for disabled people. For example, the accessibility of booking facilities and the provision of assistance for disabled passengers have also significantly improved.

We have also recently updated the code of practice setting out the access standards for infrastructure work at stations to align it with new European standards, and these have complemented significant advances in rail vehicle accessibility over the past decade. In addition, we are working with the industry to update the way in which disabled people's protection policies, which set out how the train operators will meet the needs of their disabled customers, are written.

There is no room for complacency, however. I do not think that anyone in this Chamber would underestimate the scale of the challenge or believe that the Railways for All strategy represents the end of our task. We recognise that progress in improving the accessibility of stations and stops must be accompanied by improvements to the accessibility of rail vehicles.

Under the Rail Vehicle Accessibility Regulations 1998—more commonly known as RVAR—introduced under the Disability Discrimination Act 1995, all new rail vehicles introduced since 31 December 1998 have had features making them significantly more accessible to disabled people, such as larger and easier access to priority seats for disabled passengers; the use of tonal contrast in liveries and finishes; a minimum number of spaces for wheelchair users; boarding devices to facilitate wheelchair access; provision of handrails and handholds; and provision of audible and visual passenger information. More than 6,200 accessible rail vehicles are already in service and all rail vehicles must be accessible by no later than 1 January 2020. Together with the code of practice, these provisions will deliver consistent access standards for vehicles and stations across the whole rail network for the first time.

My hon. Friend might say that there is not much point in making train vehicles accessible if the stations to access them are not accessible as well. That is also a point that I hope Southeastern might take on board. The 2020 "end date" dovetails with similar provisions for buses and coaches, ensuring the existence of an accessible transport chain and giving disabled people certainty that they will be able to access all public transport vehicles in future.

We should bear it in mind that, although they may not have been built to modern accessibility standards, many thousands of older rail vehicles have already been made more accessible by refurbishment. That includes fleets of older trains such as those serving my hon. Friend's constituency, which, as he will know, have recently received accessibility improvements.

However, the need to improve access to the railway does not stop with stations and vehicles. On occasion, barriers such as a lack of confidence, poor travel information and the attitudes of staff may affect disabled people's ability, confidence and desire to use public transport. That is why we have supported the production by the Association of Train Operating Companies of a staff disability awareness training DVD through the Access for All small schemes fund and its full access audits of every station in the country, which will allow a better focus in the targeting of future improvements.

As rail vehicles and stations are made accessible to disabled people, the facilities that they offer greatly benefit other passengers such as pregnant women, parents with pushchairs and those carrying heavy luggage. Indeed, all of us at one time or another in our lives will be grateful that those provisions have been put in place. A great deal has been achieved, but the railway industry is far from complacent, and will continue to work with the organisations representing disabled people—and, most important, with disabled people themselves—to improve services further. It is clearly regrettable that the access at Crayford station remains below modern acceptable standards, and I share my hon. Friend's concern about that.

Services on rail are covered by the provisions of the Disability Discrimination Act 1995, which is soon to be replaced by the Equality Act 2010. It is the duty of Southeastern to make reasonable adjustments to the way it provides its services so that disabled customers do not find them impossible or unreasonably difficult to use. It might make physical adjustments, or it might make the service available by an alternative means such as the provision of an accessible taxi to the next level access station; but that is a much less satisfactory—

11.12 pm

House adjourned without Question put (Standing Order No. 9(7)).

House of Commons

Wednesday 8 September 2010

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

WALES

The Secretary of State was asked—

Parliamentary Constituencies

1. **Jonathan Evans** (Cardiff North) (Con): What discussions she has had with the Deputy Prime Minister on the implementation in Wales of a reduction in the number of parliamentary constituencies; and if she will make a statement. [13132]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): My right hon. Friend the Secretary of State and I have had numerous discussions with the Deputy Prime Minister and the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), who is responsible for political and constitutional reform, on matters affecting Wales in the Parliamentary Voting System and Constituencies Bill.

Jonathan Evans: Does my hon. Friend agree that the current electoral architecture in Wales, which grants the Labour party 65% of the representation on barely 36% of the vote, can be described neither as democratic nor as valuing votes from Wales equally?

Mr Jones: My hon. Friend is entirely right. The Government's proposals for electoral reform are founded on the principles of equality and fairness, and it is clearly fair that votes cast at parliamentary elections throughout the United Kingdom should be of broadly equal value, including in Wales.

Chris Ruane (Vale of Clwyd) (Lab): There are currently approximately 170,000 people missing from the electoral register in Wales. On Monday, the hon. Gentleman's colleague the Deputy Prime Minister announced that the Government are considering ways of putting those people back on the register. Will that happen before or after the Boundary Commission's freeze date in December?

Mr Jones: I have to say to the hon. Gentleman that the Labour party did not address that matter when it was in government. The vital consideration must be to ensure that all votes are fair and that all voters are fairly registered, and that will be the principle on which this Government proceed.

Mr Peter Hain (Neath) (Lab): How can the Minister and the Secretary of State possibly justify cutting proportionately three times as many Welsh MPs as English MPs, creating monster constituencies in rural Wales and geographically impossible ones in Welsh valleys? Instead of ramming through those changes, why will not the Government maintain the existing system of public inquiries that has protected local interests for generations?

Mr Jones: I am surprised that the right hon. Gentleman takes that view. I would have thought that he would be as anxious as Government Members to ensure that votes cast in general elections are fair and of equal value. As it stands, votes in certain parts of the country are worth significantly more than those in other parts. So far as constituency boundaries are concerned, I remind him that they will be determined by the impartial and neutral Boundary Commission, with which I have already had discussions.

Mr Hain: But the Minister and the Secretary of State have presided over rigging the situation in advance. Is the Secretary of State proud that by slashing the number of Welsh MPs by fully a quarter from 40 to 30, she is the first Secretary of State for Wales in history to reduce Wales's voice in Parliament? Why is she also the first Secretary of State to refuse a request for a meeting of the Welsh Grand Committee? Does she not understand the anger about that among Welsh MPs of all parties, including hers? We demand a meeting of the Welsh Grand Committee so that our constituents can see what is being done to them.

Mr Jones: Again, the right hon. Gentleman is completely wrong. Our position, to which I would have thought he would be signed up, is that votes across the country should be of equal validity. The current position is that they are not. On holding a Grand Committee, I imagine and hope that he and the shadow Minister, the hon. Member for Caerphilly (Mr David), will be present at the meeting that we have convened this afternoon to put their concerns forward.

S4C

2. **Hywel Williams** (Arfon) (PC): What recent discussions she has had with Ministerial colleagues on the review of the economic impact of S4C. [13133]

The Secretary of State for Wales (Mrs Cheryl Gillan): I have had several discussions with my right hon. Friend the Secretary of State for Culture, Media and Sport on the importance of S4C and Welsh broadcasting in general, and I will continue to do so to ensure that Wales receives a broad range of programmes about and for the people of Wales. I have also had discussions with the senior management at S4C.

Hywel Williams: I thank the Secretary of State for her reply. Does she agree that given its programming for children, its substantial forward spending on planned programmes and the profound sociolinguistic effect that it has, S4C is in no way just another television channel that happens to be in Welsh? It is not a Welsh version of Dave TV, nice though that is.

Mrs Gillan: I agree with the hon. Gentleman. From what I have seen of S4C, it is a television station that continues to meet the needs of Welsh speakers by providing programmes and services through the medium of Welsh. It is fair to acknowledge that it is dealing with some internal problems at the moment, but I have been impressed with the range of services that it provides, particularly to people who are learning Welsh. He may know that I visited the set of "Rownd a Rownd", where I was extremely impressed by how we are bringing on young acting talent in Wales through that soap opera. I was impressed with the cast and the production team working on it.

Mr Mark Williams (Ceredigion) (LD): The Secretary of State will also be aware of the significance of the independent TV production sector and the importance of its relationship with S4C. The sector was recognised in a Select Committee report in the previous Parliament as one in which Wales excels. Extensive cuts could jeopardise that. Will she continue to make the robust case to the Department for Culture, Media and Sport about the scale of the potential cuts?

Mrs Gillan: I will continue to do that on a regular basis. One thing that is so exciting about the Welsh economy is our huge potential in the creative industries. There is tremendous potential between the BBC and ITV, which is expanding its news coverage, and S4C, but our broadcasting industry must face the reality of the budget within which we must work, thanks to the previous Government's mismanagement of the economy. However, I stress that the television industry is the place for independent companies to do business.

Airbus A400M

3. **Mark Tami** (Alyn and Deeside) (Lab): What discussions she has had with the Secretary of State for Defence on the A400M military transport aircraft and Airbus in Wales. [13134]

The Secretary of State for Wales (Mrs Cheryl Gillan): I have already held discussions with my right hon. Friend the Defence Secretary on a number of military issues that affect Wales, and I have arranged to speak to him again during this two-week sitting of Parliament. I also wrote to him specifically on that issue in July, highlighting the importance of Airbus to the Welsh economy.

Mark Tami: During the election, a number of Tory candidates in north Wales published leaflets that contained a pledge from the then Leader of the Opposition, who is now the Prime Minister, that that project would go ahead. Is that pledge still valid? Is it worth anything?

Mrs Gillan: I know that the hon. Gentleman takes a great interest in such matters, and so he should, because Airbus employs, I believe, more than 6,500 people at the Broughton plant in his constituency. The order book for the A400M currently looks very healthy, with orders for more than 180 aircraft worldwide and at least 22 for the UK. I am confident that the position is secure.

Albert Owen (Ynys Môn) (Lab): The Secretary of State is right to concentrate on the importance of military activity and training in Wales. Will she therefore ensure that when she next meets the Defence Secretary, she stands up for the RAF in Wales, and bases such as RAF Valley, which has had substantial investment in the past 10 years? They serve the economy locally, but they will also serve our country well in future.

Mrs Gillan: The hon. Gentleman should know that I have deep affection for RAF Valley, having done my armed services parliamentary fellowship scheme with the RAF. I was even privileged to sit in the back seat of several fast jets, courtesy of some first-class pilots. The RAF has a special place in my heart, and I can certainly assure him that I will always speak up loudly for RAF Valley.

Policing

4. **Jessica Morden** (Newport East) (Lab): What recent discussions she has had with the Secretary of State for the Home Department on policing in Wales. [13136]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): My right hon. Friend the Secretary of State and I have regular discussions with Cabinet and ministerial colleagues, and we regularly meet the Association of Chief Police Officers Cymru, Police Authorities of Wales, the Welsh Local Government Association and other interested parties to discuss matters affecting policing and law and order in Wales.

Jessica Morden: With Welsh police forces facing budget cuts this year of more than £6 million, which is a real threat to front-line policing in constituencies such as mine, will the Minister tell the House how much it will cost to elect and fund the proposed directly elected police commissioners in Wales?

Mr Jones: The hon. Lady will know that we have had to impose budget cuts to make a start on sorting out the appalling economic legacy that we inherited from the Labour party. Elected police commissioners will not cost a penny more than the police authorities that they will replace, and they will add the considerable value of ensuring that there is a democratic link between the electorate and those responsible for overseeing the police.

Roger Williams (Brecon and Radnorshire) (LD): The Police Minister indicated that police authorities could make savings by reducing overtime, but police authorities such as Dyfed-Powys have already reduced overtime to a minimum as a result of previous efficiency savings. Will the Under-Secretary of State for Wales convey that to the Police Minister, and ensure that not all police authorities are dealt with on the same basis, so that peculiar requirements are taken into consideration?

Mr Jones: The Government clearly recognise that any cuts present challenges to our police, as they do to other front-line services, but they also present an opportunity to refocus policing priorities and operational requirements. The Welsh police authorities have already shown an excellent lead by combining procurement, to the extent that they have saved more than £3.5 million in the last financial year, and I hope that that pattern will continue.

Mr Wayne David (Caerphilly) (Lab): Following on from the Minister's earlier response, the Local Government Association estimates that the cost of these police commissioners will be £50 million, or the equivalent of 700 police officers. Does not he agree that it would be perverse to introduce these superannuated sheriffs at the same time as making cuts in neighbourhood policing?

Mr Jones: As I have already indicated, the cost of the police commissioners will not be a penny more than the authorities that they replace. The hon. Gentleman may like to know that I have already held a meeting with the Welsh Local Government Association. I have also seen the letter to which he alludes, and I have passed it on to colleagues in the Home Office. I reiterate that it will not cost a penny more than the police authorities that the commissioners will replace.

Winter Fuel Payments

5. **Huw Irranca-Davies** (Ogmore) (Lab): What recent discussions she has had with Ministerial colleagues on the future of winter fuel payments to people in Wales. [13137]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): Winter fuel payments provide assurance to older people that they can keep warm during the colder winter months by providing significant help with fuel bills. As announced in the Budget, winter fuel payments will continue to be paid for 2010-11, which will benefit some 680,000 people in approximately 494,000 households in Wales.

Huw Irranca-Davies: I wish to put to the Minister a question that was raised in a meeting of the over-50s group in my constituency last week. The Prime Minister gave assurances about safeguarding benefits for the elderly and the winter fuel payment during the election, but we now hear rumours that the qualifying age may be increasing from 60 to 66, or possibly more, and that the basic winter fuel payment could be cut by £50 for new recipients or £100 for the oldest. What merit should we give to those statements that were made during the election?

Mr Jones: As the hon. Gentleman knows, the coalition agreement makes it clear that the Government intend to protect the winter fuel payment. It is clear that the age at which both men and women get winter fuel payments will move in step with the equalisation in entitlement to the state pension, but I reiterate that the coalition agreement makes it clear that we intend to protect that payment.

Welsh Businesses

6. **Alun Cairns** (Vale of Glamorgan) (Con): What recent discussions she has had with ministerial colleagues, the Welsh Assembly Government and CBI Wales on support for Welsh businesses. [13138]

The Secretary of State for Wales (Mrs Cheryl Gillan): I have regular discussions with many ministerial colleagues to ensure that we support Welsh businesses. I have already met with CBI Wales twice, and I have quarterly meetings planned with the CBI along with other business organisations in Wales, so that the issues affecting individual companies are fed directly into coalition Government policy.

Alun Cairns: Over the last 10 years, Wales became the poorest part of the United Kingdom under the Administration of Labour both here at Westminster and in Cardiff bay. A recent Oxford Economics report suggests that over the next five years Wales will create only 4,000 new jobs. Given that Wales will have the same macro-economic conditions as every other part of the UK, is not that a sad indictment of the Administration in Cardiff bay and the legacy of Labour?

Mrs Gillan: My hon. Friend has experience of the Welsh Assembly Government and the Welsh Assembly, so I will leave his comments to stand. I agree with him that the situation that we have inherited is shocking across the UK, and it is especially sad in Wales because gross value added per head is the lowest out of all the UK nations and has been that way since 1998. However, I want to be optimistic about the Welsh economy and I have recently visited some very successful businesses that are investing in Wales and looking at creating jobs, including Corus, Sharp and Ultrapharm—the latter is producing wheat-free healthy lifestyle products for Marks and Spencer. I have been impressed by the number of jobs that are starting to appear in the Welsh economy, and I want to encourage more businesses to come and do business in Wales.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): With the public sector cuts inevitably having a disproportionate effect on the Welsh economy, what countervailing measures is the right hon. Lady arguing for with the Treasury to stimulate private sector growth in Wales?

Mrs Gillan: I am sad that the hon. Gentleman has to ask such a question, but he knows that he has to because the last Government left this economy in tatters, and it has fallen to this coalition Government to put the economy back together again. As he well knows, we are providing an environment in which business can do business in the UK. We are reducing corporation tax by a penny each year, which will give us one of the lowest corporation tax regimes in the European Union, we have reduced the taxation regime for small companies, and we have incentives on national insurance for entrepreneurs setting up businesses. I can assure him that we are doing everything that we can to create a healthy environment in which businesses and private business can prosper.

Nia Griffith (Llanelli) (Lab): What assessment has the Minister made of the impact on private businesses in Wales of the loss of public service contracts and purchasing power caused by redundancies, cuts to rises in benefits and the proposed new VAT regime?

Mrs Gillan: The hon. Lady knows that the deficit needs to be tackled immediately, and it was her Government who left us in this dire financial situation. Of course, I cannot pre-empt anything that might happen in the comprehensive spending review, but I recognise the vital role that public sector contracts play in the prosperity of businesses across Wales, and I know that the economy

is heavily dependent on the public sector, so I have already made representations to the Treasury, and will continue to do so. However, I am afraid that the financial mess we are in was the responsibility of her party.

Public Expenditure Reductions

7. **Susan Elan Jones** (Clwyd South) (Lab): What recent discussions she has had with the First Minister on the effect on levels of employment in Wales of proposed reductions in public expenditure. [13139]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): My right hon. Friend has regular discussions with the First Minister on a range of topics, including the reductions in public spending necessary to tackle the deficit.

Susan Elan Jones: I am grateful to the hon. Gentleman for his interesting and brief response. Will he actually answer the question more fully by commenting on the fact that the latest employment outlook survey says that employers in Wales expect to decrease staffing levels in the next few months by 8%, and that the Federation of Small Businesses in Wales has said that

"it's not surprising that small firms might be planning staff reductions",

and that is due to major public service cuts? Will he for once speak up for Wales and accept responsibility for the situation that his Government are creating for communities in Wales?

Mr Jones: I am glad to see that the hon. Lady recognises the appalling financial legacy of her Government. Under the last Government, unemployment in Wales increased by 60%, from more than 82,000 to 130,000 in the last 10 years. We can restore the Welsh economy and return life to it only by allowing the private sector to grow. On that basis, we have introduced measures, such as the national insurance holiday, that will stimulate significantly the private sector in Wales. Wales cannot rely on the public sector alone.

National Assembly Powers

8. **Robert Halfon** (Harlow) (Con): What discussions she has had with the First Minister and ministerial colleagues on the proposed referendum on the law-making powers of the National Assembly for Wales. [13140]

The Secretary of State for Wales (Mrs Cheryl Gillan): I have had regular discussions with the First Minister and ministerial colleagues on the proposed referendum on the law-making powers of the National Assembly for Wales. Indeed, I discussed it with the First Minister and the Deputy First Minister on Monday.

Robert Halfon: I thank my right hon. Friend for her reply. Does she agree that, as devolution develops, we will need a fair constitutional settlement across the United Kingdom, and is it not the Government's intention, therefore, to address English votes for English laws, and indeed English and Welsh votes for English and Welsh laws?

Mrs Gillan: My hon. Friend knows that our approach to constitutional matters is informed and underpinned by our commitment to the Union and devolution and our conviction that power should rest in the hands of those we serve. Indeed, we have committed, in our programme of government, to establishing a commission to consider what has become known as the West Lothian question, and we are working to take that forward.

Ian Lucas (Wrexham) (Lab): When the Secretary of State eventually comes up with a coherent and intelligible question for the referendum on further powers for the Assembly, will she be asking the Electoral Commission to carry out a further consultation on the question she will place before the House?

Mrs Gillan: I feel that I should say to the hon. Gentleman, "Listen very carefully, I will say this only once," because I heard an interview that he gave on the radio in which it appeared that he had not listened to the answers that I gave at the last Welsh questions. Can I just tell him that I have—*[Interruption.]*

Mr Speaker: Order. I apologise for interrupting the Secretary of State, but there are far too many noisy private conservations taking place. I want to hear the Ministers from the Front Bench, and I want to hear right hon. and hon. Members asking their questions.

Mrs Gillan: I am very grateful to the Electoral Commission for its report and the 10 weeks of examination that it gave to the question that was designed by the project board. On Monday I worked with the First Minister and the Deputy First Minister, and I have considered its findings. We have all agreed that we should accept its findings and take forward the preamble and the question that has been put forward, on an objective and independent basis, by the Electoral Commission, and I shall be making a further statement to Parliament.

Expenditure Reductions (Policing)

9. **Chris Evans** (Islwyn) (Lab/Co-op): What discussions she has had with the Secretary of State for the Home Department on the effects on front-line policing in Wales of planned expenditure reductions. [13141][1]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): Both my right hon. Friend the Secretary of State and I have regular discussions with Cabinet and ministerial colleagues on policing matters in Wales. We recognise that reductions in budgets will be challenging to our police forces, but will also present opportunities to refocus policing priorities and make operational efficiencies.

Chris Evans: I thank the Minister for his response. Given how successful the Safer Caerphilly community safety partnership has been in substantially reducing crime and antisocial behaviour, will the Secretary of State give an assurance that she will fight any plans to cut funding for next year?

Mr Jones: The question of funding for the police is a matter that will have to await the comprehensive spending review, but I am heartened by the comments of the

1. *[Official Report, 16 September 2010, Vol. 515, c. 3-4MC.]*

National Audit Office and the Wales Audit Office about how it should be possible to effect reductions of £1 billion without any effect at all on front-line policing.

Rural Economy

10. **John Howell** (Henley) (Con): What recent discussions she has had with Welsh Assembly Government Ministers and ministerial colleagues on Government policy to assist the rural economy in Wales. [13142]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): My right hon. Friend the Secretary of State and I attach great importance to rural communities in Wales and the economic challenges that they face. The Wales Office has set up a taskforce of officials to look at the rural economy and see what we can do to support and encourage growth in our rural areas.

John Howell: Having contributed to the Welsh rural economy during the recess by spending a very enjoyable holiday in Wales, may I ask the Minister to say what the Government are doing to promote economic renewal and growth in the Welsh rural economy?

Mr Jones: I am glad to hear that my hon. Friend is contributing to that economic renewal and I hope that he will continue to do so in years to come. The Wales Office is currently consulting groups that represent businesses and the rural economy, to gather their views on what we can do to help them grow in these challenging times. I have already held meetings with a number of interest groups, including the farming unions, and I look forward to taking that work forward over the autumn.

Nick Smith (Blaenau Gwent) (Lab): There is a company in my constituency called Desk-Link. Unfortunately it is going through difficult times. Since January, many of the staff there have been paid late. Some workers have found that their tax and national insurance contributions have not been paid. Will the Minister ensure that Her Majesty's Revenue and Customs and Jobcentre Plus assist my constituents in getting the support to which they are entitled?

Mr Jones: I am sorry to hear of the hon. Gentleman's constituents' difficulties. If he would care to write to me, I shall ensure that his representations are put forward to the appropriate Departments.

Prison Capacity

11. **Guto Bebb** (Aberconwy) (Con): What recent discussions she has had with the Secretary of State for Justice on prison capacity in Wales. [13143]

The Parliamentary Under-Secretary of State for Wales (Mr David Jones): My right hon. Friend the Secretary of State met the prisons Minister in July to discuss prison capacity in Wales.

Guto Bebb: Does my hon. Friend agree that the current financial crisis means that a new prison in north Wales is now a distant probability? If that is the case, what discussions has he had with the Ministry of Justice about rehabilitation services in prisons in England that currently service prisoners from north Wales, and in particular for those prisoners who have Welsh as their first language?

Mr Jones: My right hon. Friend the Secretary of State and I have recognised for some time the need for a prison in north Wales. These are matters on which we have made representations to the prisons Minister, the Under-Secretary of State for Justice, my hon. Friend the Member for Reigate (Mr Blunt), but clearly the question of whether one is affordable will have to await the comprehensive spending review.

Ryder Cup

12. **Paul Flynn** (Newport West) (Lab): What recent discussions she has had on opportunities for the leisure industry in south-east Wales arising from the forthcoming Ryder cup. [13144]

The Secretary of State for Wales (Mrs Cheryl Gillan): I have recently visited a number of venues associated with the leisure industry in Wales, and I have seen at first hand some of the preparations being made for the 2010 Ryder cup. I have been impressed by all the hard work that will make this event a great Welsh success, and I am sure that, like the people of Newport, we are all anxious to see this fantastic event tee off in three weeks' time in Wales.

Paul Flynn: This is a wonderful, unique opportunity for us to show off our city of Newport and the rest of Wales. Will the Minister guarantee that she will do everything she can to ensure that there is a full legacy from the Ryder cup for the young people of Newport, Wales and the rest of the United Kingdom?

Mrs Gillan: I agree entirely with the hon. Gentleman. The Ryder cup is going to be fantastic in Wales and I would urge Members to encourage their constituents who enjoy golf to visit this fantastic venue. The legacy fund already involves a £2 million investment by the Welsh Assembly Government, and it has so far distributed £1.5 million in grants for various projects across Wales. This is an event for Wales that all the political parties can come together and support wholeheartedly.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [13117] **Mark Pritchard** (The Wrekin) (Con): If he will list his official engagements for Wednesday 8 September.

The Deputy Prime Minister (Mr Nick Clegg): I have been asked to reply. As the House might be aware, the Prime Minister's father was taken seriously ill last night and, quite rightly, my right hon. Friend has travelled to be with his father and his family. I am sure that I speak on behalf of everyone on both sides of the House when I say that we send him, his father and his family our best wishes at this difficult time.

I shall start by paying tribute to the brave servicemen who have lost their lives over the summer since the House last sat. They were: Corporal Matthew Stenton, from the Royal Dragoon Guards; Lance Corporal Stephen Monkhouse, from 1st Battalion the Scots Guards; Sapper Mark Smith, from 36 Engineer Regiment; Lance Sergeant Dale McCallum, from 1st Battalion the Scots Guards; Marine Adam Brown, from 40 Commando, Royal Marines; Lieutenant John Sanderson, from 1st Battalion the Mercian Regiment; Rifleman Remand Kulung, from 1st Battalion the Mercian Regiment; Sapper Darren Foster, from 21 Engineer Regiment; Sapper Ishwor Gurung, from 69 Gurkha Field Squadron; Lance Corporal Jordan Bancroft, from 1st Battalion the Duke of Lancaster's Regiment; Lance Corporal Joseph Pool, from 1st Battalion the Royal Regiment of Scotland; and Captain Andrew Griffiths, from 2nd Battalion the Duke of Lancaster's Regiment. Each of those men was an heroic, selfless individual who has given his life for the safety of us and the British people. Nothing can ease the pain of the loved ones, families and friends they have left behind, but their lives, service and sacrifice will never, ever be forgotten. [HON. MEMBERS: "Hear, hear."]

We also remember Dr Karen Woo, who was killed while providing aid and medical services to Afghan civilians, and we offer condolences to the wife and family of Ken McGonigle, a devoted father of four and former police officer in Northern Ireland, who died on 7 August while mentoring police forces in Helmand province. As I saw again when I was in Afghanistan last week, the bravery of our servicemen and others who are risking their lives daily to help the people of Afghanistan is both inspiring and humbling.

Mark Pritchard: Yesterday, West Mercia police announced that they were laying off 300 personnel. Does the Deputy Prime Minister agree that, if it were not for the financial mess left by the previous Government, many of those jobs—and, indeed, thousands of other public sector jobs across the country—could have been saved? It is now left to the new coalition Government to take the difficult decisions to sort out the nation's finances.

The Deputy Prime Minister: I certainly agree that the previous Government have left us with an extraordinary legacy, with the largest deficit in our peacetime history. It was they who took their eye off the ball and allowed the banks to lend money irresponsibly, and it was they who racked up these extraordinary debts and deficits—*[Interruption.]* They were irresponsible in government, and they are now living in denial in opposition.

We did not just inherit a legacy of deficit; we also inherited a legacy of bureaucracy. As Sir Denis O'Connor, the chief inspector of constabulary, pointed out in July, 2,600 pages of guidance were issued to police officers last year alone. He said that, if they were laid end to end, they would be

"three times higher than the Eiffel tower".

We need less bureaucracy and more police on the streets. *[Interruption.]*

Mr Speaker: Order. First of all, we need much less noise. Secondly, I remind Front Benchers of the need for pithy exchanges to enable as many Back Benchers as possible to contribute.

Mr Jack Straw (Blackburn) (Lab): May I join the Deputy Prime Minister in paying tribute to all those who have lost their lives serving our country in Afghanistan since the House last met? We know that for each one of those individuals, there is a family who are immensely proud of their service but who are consumed with grief for their loss. Our thoughts and prayers are with those bereaved families and the comrades and friends of all those who have died.

I think that all of us had hoped that part of the opening of Prime Minister's questions would be an opportunity for us to express congratulations to Mrs Cameron and the Prime Minister on the birth of their new baby—and, of course, on behalf of the Opposition, we certainly do so. Sadly, however, that is tinged with the dreadful news about the Prime Minister's father. Let me say on behalf of the Opposition that I am absolutely certain that the Prime Minister has made exactly the right decision—to be where he knows he has to be, with his father and his family at this difficult time.

The Prime Minister in May brought Mr Andy Coulson into 10 Downing street. May I ask the Deputy Prime Minister whether he is entirely satisfied that, while Mr Coulson was editor of the *News of the World*, at no time was Mr Coulson aware of any use of unlawful hacking of telephones?

The Deputy Prime Minister: I am grateful to the right hon. Gentleman for his words about the Prime Minister and the great news about the birth of a new baby daughter. I will, of course, pass that on.

As for the issue of phone hacking, the right hon. Gentleman knows, as we all know, that this is a very, very serious offence—a very serious offence indeed. It is an outrageous invasion of privacy, and it is right that two individuals were convicted and imprisoned. As for Mr Coulson, he has made it very clear that he took responsibility for something at the *News of the World* of which he had no knowledge, and he refutes all the allegations that have been made to the contrary. That statement speaks for itself. It is now for the police and the police alone to decide whether new evidence has come to light that needs to be investigated.

Mr Straw: That was not an answer to the question I put. The question was: is the right hon. Gentleman entirely satisfied that, while Mr Coulson was editor of the *News of the World*, at no time was Mr Coulson aware of any use of unlawful phone hacking? Yes or no?

The Deputy Prime Minister: Mr Coulson has made it quite clear that he had no knowledge and he refutes all the allegations. While, in a slightly rushed manner, I was preparing for today, suspecting that this issue might come up, I read in one of the briefing notes I received that when Andy Coulson resigned from the *News of the World* the first person to call to commiserate was the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown). He told him not to worry, that he had done the honourable thing and that he knew he would go on to do a worthwhile job. *[Interruption.]*

Mr Straw *rose—*

Mr Speaker: Order. Members must calm themselves. I cannot imagine why they are so excited, but I want to get down the Order Paper.

Mr Straw: In May of this year, the Deputy Prime Minister's right hon. Friend the Energy Secretary said that Mr Coulson was

"either complicit in criminal activity or the most incompetent editor in Fleet Street".

Which is it?

The Deputy Prime Minister: My right hon. Friend and I are in complete agreement that if new evidence has come to light—and that is what I want and that is what I expect—the police will now actively look to see whether that evidence is worthy of further investigation. That is what the police are there for; that is what they should be doing.

Of course, it was under the previous Government—the Labour Government—that no further action was taken. It was the former Home Secretary, who has been making all sorts of pious remarks in the press, who decided not to involve Her Majesty's inspectorate of constabulary. The Director of Public Prosecutions and the Crown Prosecution Service decided not to take any further action. If the police now think that new evidence has come to light, let them decide.

Mr Straw: The Select Committee on Culture, Media and Sport, chaired by the Deputy Prime Minister's hon. Friend the Conservative hon. Member for Maldon (Mr Whittingdale), said:

"The evidence, we find, makes it inconceivable that no-one else at the *News of the World*, bar Mr Goodman, was aware of the activity"

of phone-hacking. What does the Deputy Prime Minister know that the Select Committee did not know?

The Deputy Prime Minister: The police now need to decide whether, in the light of the new allegations that have been made, there is new evidence which requires further investigation. That is what the police are there for, and I want them to get on with that. That is what I expect they should do. But honestly, I am simply not going to take any lessons from a party whose members spent all their time in office back-biting against each other through leaks and counter-leaks to the press—the party of the dodgy dossier, of cash for peerages, of Damian McBride. Let us have a little bit of consistency on this, shall we?

Mr Straw: So, when the police have uncovered 2,978 mobile telephone numbers of potential victims and *The New York Times* has named the Deputy Prime Minister's own hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) as a potential victim, does the Deputy Prime Minister expect us to believe that the only person who knew nothing about phone hacking at the *News of the World* was the editor—the very man whom the Prime Minister has brought into the heart of this Government?

The Deputy Prime Minister: What I expect and hope the right hon. Gentleman will believe is that it is now for the police to investigate whether these new charges and allegations have anything to them. That is what the police are there for. Does the right hon. Gentleman want us all to start second-guessing what is in the newspaper and what statements have been made? Let the police—*[Interruption.]* Look, we have a war in Afghanistan, we have a flood in Pakistan, and the right hon. Gentleman is inviting the Government to second-guess the work of the police. I should have thought that, after all the years during which he was involved in our criminal justice system, he would know better.

Duncan Hames (Chippenham) (LD): Yesterday a serving police officer was jailed for an appalling assault committed in a police station in my constituency. While I believe that we can draw confidence in the Wiltshire police from the brave officer who blew the whistle, does the Deputy Prime Minister agree that it cannot be right that, owing to restrictive police conduct regulations, the offending officer continued on full pay for more than two years after the attack?

The Deputy Prime Minister: Like, I suspect, many Members in all parts of the House, I was deeply shocked by the pictures of the offence that was perpetrated by the police officer. I also share people's dismay that action was not taken more speedily. However stressful the conditions in which police officers work, it is absolutely essential that they uphold the very high standards of their own conduct in all circumstances, and that was clearly not the case in this instance. I am glad that action is finally being taken, although, like my hon. Friend, I wish that it could have been taken earlier.

Q2. [13118] **Gregg McClymont** (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): This morning the Business Secretary reaffirmed his commitment to the separation of high street banking from casino banking. Does the Deputy Prime Minister agree that that separation is essential to ensuring that the British taxpayer need never again bail out banks that are too big to fail?

The Deputy Prime Minister: As the hon. Gentleman knows, there is a lively debate about the relationship between retail banking and investment banking. The former Chancellor has made his own views very clear from his party's Front Bench: he does not think that there is a case for separation. The Liberal Democrats believed in opposition that there should be a separation, and a debate is now taking place within Government.

We have asked Sir John Vickers to chair an independent commission, which will consider how we can ensure that there is safety and stability in our banking system for good. That action was not taken by the last Government. We will look at the commission's recommendations, and then decide.

Mr John Redwood (Wokingham) (Con): Given that in the last year of the Labour Government they spent £10,000 for every man, woman and child in the country on current public spending, and given that that will go up to £11,500 a head over the five years of this Government under Budget plans, is it not clear that the coalition Government can get through without any damaging cuts to important public services?

The Deputy Prime Minister: As my right hon. Friend well knows, the challenge of balancing the Budget and filling the huge black hole left to us by Labour is, indeed, very difficult. That has, of course, been recognised by Tony Blair in his recent book, where he has said:

"if governments don't tackle deficits"—*[Interruption.]*

Mr Speaker: Order. I have not read the book yet. I want to hear what Mr Blair has had to say.

The Deputy Prime Minister: I am relieved that Mr Speaker wants to hear that the book says

"if governments don't tackle deficits...This then increases the risk of prolonged slump...If we fail to offer a convincing path out of debt, that...will itself plunge us into stagnation."

I agree.

Q3. [13119] **Miss Anne Begg** (Aberdeen South) (Lab): The charity Shelter this week revealed that 54,000 children who live in households that are already well below the poverty line are going to lose out as a result of the changes to housing benefit, and the Department for Work and Pensions' own document has revealed that 52,000 of the poorest pensioners will be on average £11 a week worse off as a result of the changes. Is that what the Chancellor meant when he said his Budget was tough but fair?

The Deputy Prime Minister: The legacy we inherited—[HON. MEMBERS: "Oh!"] I know Opposition Members do not want to hear this, but it is worth reminding people in the country at large that after 13 years of Labour the United Kingdom has the highest—*[Interruption.]*

Mr Speaker: I apologise for interrupting the Deputy Prime Minister. The Deputy Prime Minister will be heard. There is far too much noise. Members must restrain themselves and give the Deputy Prime Minister a proper and fair hearing.

The Deputy Prime Minister: The United Kingdom now, after 13 years of Labour Government, has the highest number of children in workless households in Europe. That is an absolutely shameful legacy, and one of the things that this Government are going to do, which the previous Government failed to do, is create incentives to get people off benefits and into work. That is the surest way out of poverty and the surest way we can look after those children who were abandoned and not looked after by the previous Labour Government.

Q4. [13120] **Mr James Arbuthnot** (North East Hampshire) (Con): After the Chinook crash in 1994 on the Mull of Kintyre, every inquiry that has been held that has been independent of the Ministry of Defence has found it impossible to attribute negligence to the pilots who died in the crash. May I thank the Government for honouring the pledge made before the election to hold a review and ask how the independence of that review will be assured?

The Deputy Prime Minister: I am acutely aware of my right hon. Friend's considerable expertise on defence matters and of his long-standing interest in this tragic disaster and the circumstances around it, and I am pleased to be able to confirm today that we will be holding an independent review of the evidence on the Mull of Kintyre disaster. I hope that the review will be welcomed by the families of those who died in that tragic accident. To ensure its complete independence, the review will be conducted by a respected lawyer who is independent of the Government and who has not previously expressed a view on the disaster. The reviewer and the precise terms of reference will be announced soon.

Mr Gregory Campbell (East Londonderry) (DUP): Last month the police ombudsman released his report into the Claudy bombing by the Provisional IRA in 1972, where nine innocent people were murdered. The ombudsman concluded that the Secretary of State at the time, a senior police officer and the Roman Catholic cardinal colluded to ensure that a chief suspect in the bombing who was also a Roman Catholic priest was transferred to the Irish Republic rather than be brought to justice. I will wish to raise the matter directly with the Prime Minister, but will the Deputy Prime Minister join me in calling for the Catholic Church to apologise for its part in this, and for the surviving members of the Provisional IRA, including the Deputy First Minister, who I understand today confirmed that he visited the suspect priest as he lay on his deathbed 30 years ago, to declare all that they knew about one of the worst atrocities in Northern Ireland's troubled past?

The Deputy Prime Minister: As the hon. Gentleman knows, my right hon. Friend the Secretary of State for Northern Ireland made a full apology on 24 August on behalf of the Government. The Government are profoundly sorry that Father Chesney was not properly investigated at the time for his suspected involvement in this hideous crime and that the victims and their families have quite simply been denied justice. However, I wish to reiterate that, although after the attack the then Government acted wrongly in not insisting that the Royal Ulster Constabulary properly investigate Father Chesney, it was terrorists who were responsible for this despicable and evil attack, which took innocent lives, including that of an eight-year-old girl. My right hon. Friend has made it clear that a public inquiry is not being considered, on the grounds that there simply is not likely to be any further evidence to consider. We have co-operated fully with the ombudsman's investigations, making all papers available to him, the Historical Enquiries Team is also now investigating the case, and in the interests of transparency the Government have published the only document that they hold referring to discussions about Father Chesney.

Q5. [13122] **Andrea Leadsom** (South Northamptonshire) (Con): Does my right hon. Friend agree that it is vital that the Government honour their pledge to Equitable Life policyholders and uphold the findings of the parliamentary ombudsman?

The Deputy Prime Minister: I certainly agree with my hon. Friend; we are absolutely committed to bringing justice to the Equitable Life policyholders. These people were shamelessly, shamefully betrayed year after year by the previous Government. We have published a Bill on this, we have taken the recommendations from Sir John Chadwick, which we will consider, and we will create an independent mechanism by which justice is finally provided to the policyholders, who were so shamefully overlooked by the previous Government.

Q6. [13123] **Joan Walley** (Stoke-on-Trent North) (Lab): Does the Deputy Prime Minister have any qualms at all about the coalition Government's 2010 Budget, which took 2,000 front-line workers out of Jobcentre Plus? Given that fewer people were in work this June than the previous June and given this week's review into the work capability assessment, will he ensure that the

comprehensive spending review provides the front-line staffing resources that Jobcentre Plus offices around the country need to get people off benefit and back into work in the way that he just described?

The Deputy Prime Minister: I certainly agree, of course, that the most important objective of all is to increase incentives to work. That is why in that same Budget we increased the personal allowance by £1,000, taking close to 900,000 people out of paying any income tax. We did take measures to protect the vulnerable and the elderly: we dramatically increased child tax credit, and we provided a triple guarantee to pensioners, so that their pensions will increase by 2.5%, by inflation or by earnings. Of course it is easy in opposition to deny any responsibility for the mess in which we find ourselves in the first place, but I simply ask the hon. Lady and her colleagues whether they have any qualms about the fact that her party and her Government announced £44 billion-worth of cuts but never had the decency or honesty to tell the British people where those cuts would fall.

Q7. [13124] **Nick de Bois** (Enfield North) (Con): Given the number of disturbing cases such as that of my constituent, Andrew Symeou, a 21-year-old young man who was extradited to Greece well over a year ago under the European arrest warrant and who has spent more than 10 months in jail yet still does not face the prospect of a trial date, will the Deputy Prime Minister commit the Government to reviewing this very worrying legislation? Will he also agree to a meeting with the parents as a matter of urgency, involving either himself or the Prime Minister?

The Deputy Prime Minister: Of course I would more than welcome that meeting with either myself or the Prime Minister. We are all aware of the concerns about the way in which the European arrest warrant works. I understand that the Minister for Europe has met Mr Symeou's parents and that the Foreign and Commonwealth Office would be willing to do so again. Of course this is in the context of even wider concerns about our extradition arrangements, not only those in the European Union, but those with the United States. That is why my right hon. Friend the Home Secretary has announced today that we will be reviewing the UK's extradition arrangements in the round. The review will focus on the operation of the European arrest warrant, on whether or not the United States and United Kingdom extradition treaty is unbalanced, and on whether requesting states should be required to provide prima facie evidence to us.

Mr Ian Davidson (Glasgow South West) (Lab/Co-op): Is the Deputy Prime Minister aware that today is my birthday? If I tell him how to pay for it, will he agree to give me a present of a couple of aircraft carriers? None of your foreign rubbish—I want British ones and I do not want to have to share them with some French bloke. If he had it Monday to Wednesday and I had it Thursday to Saturday and we shared weekends, we would have to get the permission of the Child Support Agency if we wanted to make any change in that. All that could be paid for by cutting our contribution to the European Union. Will he agree?

The Deputy Prime Minister: I of course congratulate the hon. Gentleman on his birthday and I am delighted to see that his enthusiasm for things European has not mellowed with age. I am happy to give him a gift, but on the question of whether it is a gift of the size and shape that he has requested, I am afraid that I cannot oblige him today.

Q8. [13125] **Sheryll Murray** (South East Cornwall) (Con): Some people enter the country and receive NHS treatment but do not pay their bill. Then they apply for another visa to come back again. Is that fair? Will the Government stop it?

The Deputy Prime Minister: My hon. Friend is of course right that fairness is one of the NHS's founding principles and we must retain that principle. We need to consider measures to make possible dealing with people who have rightly been given care by the NHS—because the NHS provides care to everybody on the basis of need—and who are supposed to make a contribution but escape the obligation to do so. That is what we are working on and we will be coming forward with announcements soon.

Q9. [13126] **Nic Dakin** (Scunthorpe) (Lab): What would the Deputy Prime Minister say to my constituent, Rachael Shipp, who now finds that all her hard work, community action and fundraising in line with big society thinking will come to naught as the Government cut the moneys promised to her neighbourhood group for their much-needed playbuilder scheme? She cannot understand why a referendum that has no electoral mandate and that she sees as irrelevant will go ahead at a cost, according to the TaxPayers Alliance, of £100 million which could be better spent on community schemes such as hers in Lilac avenue.

The Deputy Prime Minister: I am very amused that the referendum, which the hon. Gentleman claims has no mandate, was in the manifesto on which he campaigned at the last election. I know that Labour is enjoying denying any responsibility for the past—U-turn after U-turn after U-turn. One hundred thousand members of the public have made suggestions about how we can try to bring some sense to our public finances without hitting the vulnerable and without hitting front-line public services. Have we heard a single suggestion from anyone on the Opposition Benches? Not a single suggestion. Until the Labour party catches up with reality, it will not be taken seriously.

Mrs Eleanor Laing (Epping Forest) (Con): How can the Deputy Prime Minister justify to hard-working taxpayers facing economic difficulties in their own families and businesses the fact that he wants to spend £100 million of their taxpayers' money on a referendum on the voting system?

Hon. Members: Hear, hear!

The Deputy Prime Minister: I am amused that my hon. Friend gets a cheer from the Opposition Members who advocated that same proposal. That of course is the reason, as my hon. Friend knows, why we think that there is a compelling case for saving up to £30 million in the cost of holding the elections in May and the referendum on a separate occasion by combining the two on the same day. I suspect that she is not that keen on that idea, but I hope that over time she will come to support it.

Q10. [13127] **Kevin Brennan** (Cardiff West) (Lab): The Deputy Prime Minister is famous for his humility. Following the report of the Select Committee and this morning's report in the *Financial Times*, is he now prepared to apologise for the mistake that he made about Sheffield Forgemasters and to join the Liberal leader of Sheffield council in calling for some public finance for that project?

The Deputy Prime Minister: As the hon. Gentleman knows, the reason, regrettably, why the £80 million loan that was announced by the previous Government 11 working days before the general election to coincide with a nice photo opportunity for the previous Prime Minister at Forgemasters has not been able to proceed from this year's Budget is that it is not affordable under this year's Budget given that the structural deficit we inherited was so much greater than we thought. In other words, it was a promise made where the money was not available. It was a cheque written which the previous Government knew would bounce, but we have made it very clear to Forgemasters that we will continue to work with it to see how we can support it in future once the Budget situation becomes clearer after the comprehensive spending round.

Q12. [13129] **Mr Richard Bacon** (South Norfolk) (Con): Chinese lanterns pose a threat to farmers both because of the fire risk to standing crops when lanterns fall into fields and because the wire frames are cut into small pieces by harvesting equipment so that wire is incorporated into animal feed such as hay and silage, killing farm animals. What steps will the Government consider taking to reduce the risks in this area?

The Deputy Prime Minister: Everybody who lives and works in rural areas knows that this issue is causing a great deal of distress to both farmers and their livestock. We have been looking at ways in which we can deal with the issue and reduce the risks posed by the lanterns, while not wishing to ban them completely. The Department for Business, Innovation and Skills has been in contact with the manufacturers of the lanterns and has demanded that the lanterns in future should be 100% biodegradable and should have full safety instructions with them.

Q11. [13128] **Ian Murray** (Edinburgh South) (Lab): Will the Deputy Prime Minister join me in paying tribute to the Rotary Club of Braids in my constituency, which has raised thousands of pounds for shelter boxes to send to Pakistan and other areas that are devastated by events? Will he give a commitment that his Government will consider altering the gift aid scheme to ensure that bucket collections can be included, so that the club's valuable work can go much further?

The Deputy Prime Minister: We will, of course, look at anything that will continue to encourage people to be as generous as they have been in responding to this truly horrific catastrophe. I was in Pakistan, in Sindh province, just last week, where I saw for myself the scale of the situation. It is genuinely difficult to comprehend that an area the size of the whole United Kingdom has been submerged under water. Some 20 million people have been displaced and my fear is that the worst is still to come as water-borne diseases start taking hold. That is why I certainly welcome the hon. Gentleman's active interest in this issue and why I will welcome work from him and Members on both sides of the House so that we can work together to continue, both as a Government and as a people, to show the support that all the many distressed communities in Pakistan deserve at this time.

Q13. [13130] **Mr Christopher Chope** (Christchurch) (Con): May I ask the Deputy Speaker about the Parliamentary Voting System and Constituencies Bill? If the Bill is significantly amended in Committee or defeated on Third Reading, will the Liberal Democrats leave the coalition, or can he give a guarantee that they will stay in it?

The Deputy Prime Minister: I am not sure if it will please or disappoint the hon. Gentleman when I say that the persistence and resilience of the coalition is not dependent on any one single piece of legislation. He will know—again, I am not sure if he will be pleased or displeased by this—that the Bill is only one part of a much, much wider programme of political reform. That includes giving people the power of recall so that they are able to sack their MP if they are shown to have done something seriously wrong, cleaning up party funding and producing proposals finally to reform the other place. I am afraid that political reform does not begin or just end with this one single Bill.

Privilege

12.34 pm

Mr Speaker: The hon. Member for Rhondda (Chris Bryant) has written to me concerning the hacking of the mobile phones of hon. and right hon. Members. Having looked into this matter, I have decided that it is a matter to which I should allow precedence. Therefore, under the rules set out at pages 167 to 168 of "Erskine May", the hon. Member may table a motion for debate at the commencement of public business tomorrow. It will appear on the Order Paper after any statements and before the debate on UK armed forces in Afghanistan.

PAYE Contributions

12.35 pm

Stewart Hosie (Dundee East) (SNP) *(Urgent Question)*: To ask the Chancellor of the Exchequer if he will make a statement on the reported errors made by Her Majesty's Revenue and Customs that appear to have led to millions of people underpaying or overpaying billions of pounds of pay-as-you-earn contributions.

Mr Speaker: Order. I should be grateful if hon. and right hon. Members who are leaving the Chamber would do so quickly and quietly so that the Minister, Mr. David Gauke, can respond to the urgent question.

The Exchequer Secretary to the Treasury (Mr David Gauke): I am grateful for the opportunity to make a statement to the House about the action that HMRC is taking to rectify overpayments and underpayments in the PAYE system.

The PAYE reconciliation process occurs every year to reflect the changes in people's earnings and employment status that happen over the course of a tax year. In previous years, HMRC employed a system of manually joining up separate pieces of information through PAYE. Each case of potential overpayment or underpayment had to be reviewed individually before reconciliation could be finalised. That was inefficient and clerically intensive work, and it resulted in a backlog of open cases. HMRC now employs a new computer system that matches records automatically to ensure that the correct amount of tax is paid.

The coalition Government have already started to look at how to reform PAYE further and make it more efficient. As part of the Government's strategy to create the most competitive tax system in the G20, we are consulting on options to improve PAYE. The PAYE system was introduced at a time when people had one job—perhaps the same job for their whole career—and one source of income in retirement. However, that world has now gone and it is common for people to have earnings from multiple sources. That is well known, but it is something that the previous Government failed to address.

No reconciliation process was undertaken last year, so this year HMRC had to complete the reconciliation for two years instead of one. The preliminary assessment of this year's reconciliation was first brought to my attention earlier in the summer, and while the majority of PAYE records are correct, we are acting promptly to put right the situation that we inherited, which has contributed to the number of individuals required to make payments and the size of payments owed. About 4.3 million taxpayers will receive repayments between now and Christmas, while 1.4 million will be sent letters specifying how any underpayment has been calculated and how such payments can be reviewed.

To begin the process of reconciliation, HMRC has sent out the first set of taxpayer notifications to individuals throughout the UK. Those individuals who have overpaid will receive a full refund. Those who have underpaid will make additional payments through the PAYE system, provided that the payment due is less than £2,000. If the payment due is more than £2,000, HMRC will contact the individual to discuss the issue. All payments will

[Mr David Gauke]

begin next year and no immediate one-off payment will be required. HMRC will review the responses to the first set of notifications and make any changes needed to operational plans before going ahead with the rest. Staggering the process between now and Christmas will help to ensure that HMRC can deal with all queries efficiently.

The Exchequer is owed a total of approximately £2 billion. The fact that we were left with the worst deficit in peacetime history means that we simply cannot afford to write off all the underpayments. To ensure that the tax system is fair for everyone and that everyone pays their fair share, we are taking action to recoup the funds as painlessly as possible. In cases of genuine hardship, HMRC will allow payments to be spread across a period of three years. As was already the case, it will not pursue cases when the amount owed is less than £300—that is an increase from the previous threshold of £50—which applies to 40% of all underpayments. Of course, in specific circumstances, HMRC will consider writing off underpayments where it can be shown that HMRC was provided with all the information necessary—although I have to tell the House, from historical experience, that that is unlikely to apply to many cases. We do not want to build up people's hopes unrealistically.

This Government understand that there is an urgent need to reform our PAYE system. In opposition and from day one in government, we have sought ways to improve it. The system is outdated, inefficient and burdensome to the Exchequer and taxpayer alike. We need PAYE to reflect the employment issues that the 21st century presents, and that will be a focus of reforms that we take forward as part of our wider strategy for reform.

Stewart Hosie: I thank the Minister for his technical explanation of the problem. I say at the outset that, given the scale of the problem—6 million people owing or owed perhaps £6 billion—it is disappointing that a Minister was brought here to make that statement and that the Government did not volunteer one earlier.

May I ask for more clarity? Is the number of people affected around the 6 million previously reported, and does the Minister discount the figure of 23 million reported in some of the press today? Is he confident that the previously reported figure for mispayments of £3.8 billion are correct, and does he give any credence to reports in the press today of an additional £3 billion of mispayment error? In short, I am trying to understand the full extent of the problem.

Can the Minister tell the House when those due to receive payments from the Revenue will get them? He confirmed the procedure for the Revenue requesting payment from those who have underpaid, and I am pleased that the offset is now £300, but can he give a cast-iron guarantee that those whose circumstances have changed dramatically—perhaps they have lost their job—will not be hounded for modest payments that they can no longer afford to make?

What action is the Minister taking to ensure that taxpayers are not now the target of fraudsters and scams? To get to the bottom of the matter, although he explained how the problem occurred, can he explain how long such errors have been occurring and when Ministers first knew about them? How could a system so flawed have been allowed to operate as it did? He spoke a lot about PAYE and his intention to reform it, but the public, employers and employees have a right to trust and believe that the PAYE system is reliable and works. What guarantees can he give us today that, after work is done on PAYE, it will be trusted and people's family and household incomes and budgets will not be shredded, as they may be in the coming year, with demands for back tax because of miscalculations by the Revenue?

Mr Gauke: First, let I say that I am perfectly happy to answer these questions and I am genuinely grateful for the opportunity to do so.

The hon. Gentleman asked about the backlog of cases. That matter has been well known—I believe that he and I have debated it in the past, and a National Audit Office report published on 30 June gave the most recent update on the position. There is nothing new in the backlog that has emerged in recent weeks. There is a problem and we and HMRC are seeking to deal with it, but it is a problem that has existed for many years and we are critical of the previous Administration for the lack of progress in resolving it. A specific concern that has featured very recently is that it has emerged that, in the last two tax years, 4.3 million people have overpaid tax and 1.4 million have underpaid. Our aim is to send cheques to all those who have overpaid over the course of the rest of the year—in dramatic contrast with previous delays in addressing overpayments.

The hon. Gentleman is right to raise the question of changed circumstances, and it is absolutely right that HMRC considers hardship cases. That is why we have announced today that HMRC will show flexibility in some cases to spread payment over three years. As I said, we are not seeking to pursue the matter mindlessly, without taking account of individual circumstances, especially of those owing large amounts.

The hon. Gentleman also rightly raises the subject of fraudsters, and I am grateful to have the opportunity to reiterate that HMRC will not send e-mails to members of the public; communication will be in writing. Of course, people should be cautious.

How long has this problem persisted? The fundamental problem with PAYE, in the sense of there being too many open cases, and underpayments and overpayments, is a long-standing issue. In part it has to be recognised that, inherently in the PAYE system, there will sometimes be underpayments, because not all the information will be available in-year. For example, all the information about benefits in kind, company cars and so on, will not necessarily be available to HMRC or to employers. That will come to light at the end of the year, and then there will be a need for reconciliation, but that problem has always existed.

The hon. Gentleman specifically asked how long Ministers have been aware of the problem. This Minister has been aware of a problem with PAYE since day one, and that is one reason why we made proposals for reform when in opposition.

The hon. Gentleman asked also about future reform. It is important that there is trust in the PAYE system, and it is right to say that in 85% of cases PAYE is correct in-year, but there are still problems, and we are

consulting on proposals so that information is more up-to-date—if you like, so that it is real-time information. That means that HMRC will be able to respond to changed conditions much more quickly, and that we will have a system that is fit for the 21st century, in which people move around, change jobs and have multiple sources of income. We think that that is the direction in which we need to move.

Michael Fallon (Sevenoaks) (Con): Is it not rather revealing that this question was not tabled by the Labour party, which presided over such a decrepit system for so long? Does not the sheer number of incorrect payments illustrate the need to move to a system that reflects modern working and allows tax payments in real time, rather than on the basis of either guesswork in advance of the tax year or reconciliation a year or two later?

Mr Gauke: My hon. Friend is absolutely right. As the Government, we are seeking to address the short-term issue, which is the overpayments and underpayments. We cannot just brush them to one side or park them for another year; we need to address them. However, we must also look at the longer-term solution, and that, as my hon. Friend rightly says, means moving towards a much more up-to-date system so that the information is more up-to-date and we are able to respond accordingly.

Stephen Timms (East Ham) (Lab): I understand that tax experts were briefed last week and told that a small number of notifications would be sent out in the next few weeks as the start of a process over the coming months, so why was the House not told, still less the public, what was intended? Why did HMRC's website initially say absolutely nothing at all? Why has that arrangement, which was set out to a few experts last week, apparently now been abandoned and replaced, if we are to believe the reports over the weekend, with a headlong rush, whereby 6 million new calculations will be sent out in the next few weeks? Where is the plan for handling that huge exercise?

The Minister will have seen the questions that I tabled yesterday, but let me put four of them to him specifically. He has told us that HMRC will consider writing off demands when taxpayers can demonstrate that they provided all the necessary information to calculate their tax correctly. What exactly will they have to show, and how can they do so? If a problem arises because the employer, rather than the employee, has made a mistake, can he confirm that the employer will be held liable for the tax that is due?

Crucially, if people are required to pay more tax for a past year, their net income for that year will be reduced. In many cases, that will mean that they would have been entitled to more benefits—pension credit, housing benefit and council tax benefit—than they were actually paid. Can the Minister confirm that the rule will be changed so that those higher amounts will be paid to those individuals or offset against the extra tax that is due?

Anecdotal evidence suggests that HMRC call-response times have become much worse over the past few months, with many more people not being able to get through. Can the Minister confirm that the deadline for tax credit renewals has been extended from 31 August as a result? Clearly, sending out all those notifications will hugely increase the demand on those call centres, so how will that extra demand be managed? The press reports all refer to tax paid over the past two years. Does the Minister intend that, in due course, HMRC will look at earlier periods as well, or is the exercise limited to those two years?

Of course, it is a good thing that the previous Government's investment has provided a system that is better able, in particular, to keep track of tax obligations, when people change their jobs or have multiple sources of income, but it is the Minister's job now to ensure that the extra information that he has is used fairly.

Mr Gauke: I think we now know why Labour Members did not table an urgent question on this matter.

The right hon. Gentleman asked many questions—although there was not a word of apology for a tax system that is clearly encountering some difficulties—and I will endeavour to answer them all. First, there has been no change of plan. We have pursued the same proposal all along, namely to write to 45,000 to 50,000 taxpayers. We will use the information and the lessons learned from this relatively small sample to guide how correspondence will be undertaken with the remaining taxpayers affected. Let me reassure him that his fears about that are wrong. He also expressed concern about the public not being informed about the exercise, but we made great efforts to inform them over the weekend immediately after the decision was taken to proceed with writing those first letters to affected taxpayers.

The right hon. Gentleman referred to a concession that may be available, and he may recall that the A19 concession is available in circumstances where all the information has been provided to HMRC and it has had the opportunity to address it. We have looked into this. The A19 concession, which is well established—he will remember it from his time in the Treasury—does not apply that often in practice, and I do not want people to build up their hopes that it will offer some kind of panacea; that would be unfair on taxpayers.

The right hon. Gentleman questioned whether employers have made mistakes. In some circumstances, employers will have made the mistake that caused the overpayment or underpayment, but the principle remains the same—we have to collect the right amount of tax.

The right hon. Gentleman asked about means-tested benefits. In some cases, because net income was higher in a previous year, certain means-tested benefits would not have been available in that year, so sums are now having to be paid back. In those particular cases where tax underpayments are being recovered through the tax coding system, the corresponding fall in the net income for the taxpayer will increase the availability of means-tested benefits in that relevant year.

The right hon. Gentleman asked about the extension of tax credit renewals' deadline, and I can confirm that it has been extended to provide additional time for claims. I have to point out to him, however, that the idea that call centres are under strain and that it is difficult to get through to HMRC is not entirely a new phenomenon: it is a long-standing problem. Let me take this opportunity to say to taxpayers who are understandably concerned about their position that they should wait until they receive a letter before contacting HMRC, as only then will it be able to deal effectively and efficiently with their concerns. Nevertheless, he raises a legitimate issue about

[Mr Gauke]

call centres. We are providing additional staff—there is additional capacity now and there will be after the tax credit renewal process has been completed. We are taking steps to ensure that HMRC is able to deal effectively with those calling in with concerns.

Mr Speaker: Order. I understand that the Minister is trying to help the House with informative replies, but I am afraid they are rather prolix and they need to get shorter.

Nadhim Zahawi (Stratford-on-Avon) (Con): Does my hon. Friend agree that the previous Government ignored not only the crippling budget deficit but the serious problem with PAYE? That is evidence as to why the coalition's setting up of the Office of Tax Simplification is so important.

Mr Gauke: My hon. Friend raises an important point. One of the stresses and strains that HMRC has had to deal with has been the complexity of the tax system. If we can address that, we can establish a simpler PAYE system and reduce the demands placed on HMRC so that it can focus on these very matters.

Mr George Mudie (Leeds East) (Lab): It would be a disservice to the many millions of people affected—certainly the 1.4 million who are being chased for repayments—if we allowed this matter to be passed over in gaining party political points on either side. *[Laughter.]* It is not amusing to the 1.4 million people. The report says that it was the Minister who noticed the disparity in the figures and asked for a review. The result is sad, but I commend him for uncovering the problem. This issue raises important questions, and that is why party political point scoring would be wrong. It is not the first debacle from this department. As the Minister looks into it, can the House expect some resignations or disciplinary action in respect of the highly paid chairman and chief executive and board?

Mr Gauke: I appreciate that the hon. Gentleman has consistently raised concerns about HMRC. In my view, we need to focus on moving forward. The fundamental problem is the PAYE system and the inability, over many years, to bring it into the 21st century. In my view, the days of Treasury Ministers throwing staplers around should be past. We need to work with HMRC constructively to ensure that we have an improvement in our tax system.

Sir Alan Beith (Berwick-upon-Tweed) (LD): While recognising that the Government had to deal with this inherited problem, will my hon. Friend give me an assurance that the Revenue will assist those who have a reasonable basis for showing that they provided the necessary information in good time and that they will not face obstruction or lack of information? Will he assure me that these efforts will not detract from the measures that need to be taken to deal with those who actively evade their taxes, unlike most of the people this problem will affect?

Mr Gauke: My right hon. Friend is right to raise those points. It is right that HMRC is sympathetic to those in genuine hardship, and that should not obscure the very important work that it does in tackling tax evasion.

Fiona Mactaggart (Slough) (Lab): Will the Minister make sure that there are sufficient staff who are able to help vulnerable people unexpectedly facing big bills, with face-to-face discussions about how to deal with that? Last Sunday in my advice surgery, I spoke to a gentleman who is a courier earning £220 a week and has no bank account, but owes £18,000 in back tax because he has constantly had letters that he does not understand referring to extra charges, interest payments and so on. He has not been able to find anyone who can speak to him about the problem. Will the Minister ensure that there are enough staff to speak to people?

Mr Gauke: I am grateful for that question. It is absolutely right, particularly where those larger sums are involved, that HMRC deals with people sympathetically, and in order for it to do so there needs to be proper communication. That is a challenge for HMRC, but it is absolutely right that it focuses its resources on this matter.

Harriett Baldwin (West Worcestershire) (Con): A couple of years ago, HMRC lost my personal information and that of 25 million other people on the child benefit disc, and in my constituency surgeries each week, HMRC problems consistently generate the most casework. In opening the boot—or the bonnet—of the car that is the computer system at HMRC, what other problems is the new mechanic going to find?

Mr Gauke: HMRC has faced many problems and challenges over recent years: a merger, coping with a complicated tax credits system, and a number of other issues. We need to be realistic about what can be done with our tax system—tax simplification is indeed important—and allow HMRC to focus on its key concerns and do the very important job that it has to do.

Mr Nigel Dodds (Belfast North) (DUP): Can the Minister outline the costs of this entire operation, and may I endorse the call for people who have underpaid to have the opportunity of face-to-face meetings if there are big demands on them, so that their cases can be heard properly? Can he indicate whether interest will be paid on top of the money to be repaid to those who have overpaid?

Mr Gauke: On the last point, yes, interest is applicable and a statutory duty. We are not in a position to assess the costs to HMRC. It is worth putting the matter in perspective by saying that most people have had their tax calculated accurately through the PAYE system, and that more will receive repayments than will have to pay extra. People should wait until they receive their letters. It is worth pointing out also that the problem of underpayments has existed in previous years, and many hundreds of thousands of people have had to repay tax through the PAYE system, so the phenomenon is not entirely new, although the scale is somewhat greater now.

David Rutley (Macclesfield) (Con): Have the appropriate risk assessments been undertaken of other key HMRC systems that were set up under the previous Labour Government to ensure that we do not have to clean up other messes such as this in future?

Mr Gauke: HMRC is examining potential risks on an ongoing basis.

Mr David Hamilton (Midlothian) (Lab): May I first congratulate the Minister on moving from the £50 limit to a £300 limit? That will be very helpful. However, many thousands of the 1.4 million people will have changed circumstances. They may now be unemployed, have mortgages or be on short-time working. Will that be taken into consideration? For ever the pragmatist, may I suggest that a direct line be set up for MPs? I imagine that I will have to put a revolving door in my constituency surgery.

Mr Gauke: I note the hon. Gentleman's point about a direct line, and I will certainly put that to HMRC management. I reiterate that we accept that there may be hardship, and I am sure his constituents will welcome the announcement today about repayments potentially being spread over three years.

Several hon. Members *rose—*

Mr Speaker: I call Matthew Elliott. *[Interruption.]* I mean Matthew Hancock. Tax was on my mind.

Matthew Hancock (West Suffolk) (Con): The Minister said that one reason why some payments will have to be so big is that there has not been a reconciliation for two years. Can he explain why moneys were not required back from taxpayers up and down the country last year in the months running up to the general election?

Mr Gauke: My blood ran slightly cold for a moment when I thought that the TaxPayers Alliance had managed to get in here, but I know that my hon. Friend is a good representative for taxpayers. As for last year, it is fair to say that the introduction of the computer system was a relevant issue, but none the less the lack of a reconciliation has exacerbated the problem. The fact that nothing was done last year prior to the election has left us with a bigger problem this year. He can draw his own conclusions.

Mr Speaker: I apologise to the hon. Member for West Suffolk (Matthew Hancock); he is unmistakable.

Mark Durkan (Foyle) (SDLP): May I ask the Minister whether these circumstances have given the Government any further thought about plans to cut the future capacity of the Revenue and Customs? If he is giving positive consideration to the very good suggestion that there be a helpline for MPs, may I suggest, since many of the people affected will not have accountants to hand or be able to go to them, that it be available also to citizens advice bureaux, which will get an awful lot of inquiries?

Mr Gauke: That is an operational matter that HMRC will need to consider, but I will discuss it with senior management. As far as staffing is concerned, there will be a spending review announcement on 20 October, and any announcements on HMRC's budgets will be made at that time.

Charlie Elphicke (Dover) (Con): The size of the problem, the number of people affected and the amount of money involved make it a real tragedy for this country. Some 2,000 of my constituents, and the constituents of each and every one of us, will have to stump up more money that is not planned for at a time when money is tight for everyone. May I urge Ministers to have compassion for those who find themselves in a difficult spot, and a review of HMRC, particularly its difficulties in operating computers?

Mr Gauke: Again, I confirm that HMRC will consider the matter sympathetically and will have flexibility to spread payments over up to three years.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): I was a bit disappointed by the Minister being a little dismissive of my right hon. Friend the Member for East Ham (Stephen Timms) when he suggested that it was now getting harder to get through to HMRC. My experience, and that of many MPs, is that when people try to get through to tax credits staff, they just get an answer machine saying that they should phone back another day. They cannot even leave a message.

The situation is getting worse, and although I do not want to blame the Minister for that, may I urge him to consider more than just additional call centres? He should also consider the possibility of providing not just a helpline but more support for bodies such as Citizens Advice and other information agencies. Does he agree that there is a danger of scam e-mails, with people trying to take advantage of those who will be in a difficult position, and that people will need somewhere reputable to get information and support so that others cannot try to get money out of their suffering?

Mr Gauke: I reiterate that additional resources will be provided for call centres—I believe there will be about 20% extra staff by the end of the month, with contingency for more if needed. HMRC is focusing on that. I welcome the hon. Gentleman's remarks about tackling fraudsters, and we can take back to our constituents the message that they should be wary, particularly of e-mails. HMRC will not e-mail people about this matter.

Alec Shelbrooke (Elmet and Rothwell) (Con): A lot has been said during these exchanges, and it may be confusing to some members of the public. May I ask my hon. Friend to give some ABC points to members of the public who have been affected or feel that they may have been, so that it can be recorded properly on tonight's news?

Mr Gauke: First, I would say that people should wait until they receive a letter. When they receive one, if they are asked to pay money back they should go through the details carefully, and if they are concerned at that point, they should contact HMRC. They can be reassured that we are not demanding immediate payment, as there will be an opportunity either to spread it out over future months and years or at least to talk to HMRC about the details.

Mr Andrew Love (Edmonton) (Lab/Co-op): How does the Minister respond to the reports in the national newspapers that certain accountants are suggesting that there is no need to pay back the money, and to the confusion that that will undoubtedly cause many people? He mentioned flexibility in the response to the problem, but are not fairness and consistency also very important, to ensure that everyone is treated exactly the same?

Mr Gauke: It is right that people pay the tax that is due. I have read the newspaper reports, and it is right to say that a concession is available in some circumstances, but I have been straightforward in making it clear that we do not believe that it will be widespread. People should pay the tax that is due, and given the state of the public finances, we are certainly not in a position to wave goodbye to £2 billion. That would not be fair on those who have paid the correct amount of tax.

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): My hon. Friend has said that the NPS—the national insurance and PAYE service—system is now up to date and working, within reason, but he has also admitted that PAYE is a 1940s system and not up to date. A consultation is currently going on and is due to shut in about two weeks. One of the problems that he identified was that information can be up to 18 months old. When will we reach the stage of real-time collection, and if it does come in, how and by whom will it be administered?

Mr Gauke: My hon. Friend is right that we are consulting on moving towards a real-time system. I do not pretend for a moment that it is an overnight solution, but we are examining it so that over the next few years, we can move to a system that gives HMRC, which will of course continue to administer it, information that is up to date and adjustable in-year. That will ensure that we get a much greater level of accuracy in our tax system.

Kevin Brennan (Cardiff West) (Lab): Like all hon. Members, the Minister will have constituents visiting him who have underpaid tax and who will feel that that is no fault of their own, and yet, under the system as it exists, they will be expected to pay back in full. Has he given any consideration to recognising clearly in the amount that must be paid back that our constituents have acted in good faith and that the fault lies elsewhere?

Mr Gauke: As I said earlier, concession A19 is for taxpayers who have acted in good faith when HMRC has had an opportunity to respond. However, I should also make the point that PAYE has always involved circumstances in which information comes to light after the tax year is completed and an adjustment must be made. That has happened throughout the existence of PAYE, but it has increased over the years as working patterns have changed, which is why we need to look at more fundamental reform of PAYE.

Richard Graham (Gloucester) (Con): Following earlier suggestions of hotlines, what advice would the Minister give to my constituents who feel that they might be affected, but who do not want simply to wait for a letter in their post?

Mr Gauke: I urge them to wait. I understand the frustration, but if we are to provide support to people efficiently and effectively, it is better to wait. Limited support can be provided until that letter arrives, so I urge his constituents to be patient.

Jim Shannon (Strangford) (DUP): It would seem that the left hand of HMRC does not know of the information held in the right hand. What assurance can the Minister give to members of the public that such information can be better co-ordinated to ensure that such mistakes do not happen again?

Mr Gauke: The hon. Gentleman makes a good point. To be fair, the NPS system brings the information together, but unfortunately, that has highlighted more difficult cases. In fact, as we move forward with the NPS system and—potentially—further reforms, HMRC should have more accurate information and so be able accurately to assess the level of tax due.

Dr Julian Lewis (New Forest East) (Con): I am tempted to ask whether the person who designed the computer system for HMRC is the same as the person who designed the computer system for claiming MPs' expenses, but I shall resist, and instead ask the Minister this: why has he alighted on the period of only three years for people to make payments? Is it not the case that people on very low incomes may need longer if they are hit with particularly large bills?

Mr Gauke: The period of three years is one in which we have confidence that HMRC will be able to address the matter administratively. Beyond that, certain technical matters would need to be thought through. However, we are confident that HMRC is capable of addressing the matter over three years.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): Does the Minister agree that the position of front-line staff in HMRC centres up and down the country is important? They do a stressful job at the best of times and regularly deal with frustrated taxpayers on the phone, but with the new problem, I am sure the Minister agrees that the staff's position needs to be looked at. A statement of support for them from the Minister would be welcome.

Mr Gauke: I am grateful for the hon. Gentleman's question. Some comments have suggested that the situation is the fault of HMRC staff who cannot add up, but those comments are ill-informed. The truth is that HMRC staff are committed to doing a good job. They are battling with a difficult system, and I give them my support. As a Minister, I have visited many HMRC offices, and I appreciate the hard work, enthusiasm and dedication of HMRC staff.

Jonathan Evans (Cardiff North) (Con): Does my hon. Friend appreciate that if the head of HMRC was instead the finance director of a financial services company that was seeking to claw back that sort of money from customers, he would be obliged to take himself off to Canary Wharf and satisfy the Financial Services Authority that he had complied with the requirements to treat customers fairly? Is the Minister satisfied that the mechanisms that he has outlined, including the period for repayment and other things, would satisfy the same approach that the FSA would take in relation to a private company?

Mr Gauke: It is right that HMRC treats customers fairly, but I reiterate that it is customary with the PAYE system that, at times, underpayments need to be recovered. However, it is right that HMRC should do so in a sensitive manner.

Mr Peter Bone (Wellingborough) (Con): The Minister is responding excellently to the question, but I must say to him gently that it would have been better had he made a statement rather than being asked to come to the House.

PAYE has always been a collection of money on account towards the final tax liability, but the Minister has not made it clear to me whether a great number of people are affected by the current situation just because people's lifestyles have changed. Was there also an error in the basic collection by the Revenue of the correct information given by taxpayers?

Mr Gauke: Our understanding is that the fundamental problem is changing working practices—that is the long-term issue. Of course, there may be circumstances in which HMRC has made errors, but changing working practices is the essential problem. It is also the case that the new computer system more accurately and rigorously picks up problems than happened before. That is why we have seen the increase in underpayments and overpayments. However, my hon. Friend is absolutely right that there have always been underpayments and overpayments under the payment-on-account PAYE system.

Jeremy Lefroy (Stafford) (Con): I welcome my hon. Friend's statement. The relationship between taxpayer and tax collector is extremely important. Many of my constituents find the fact that it is extremely difficult to get through to the Revenue at the moment very stressful, which they must do through no fault of their own, as other hon. Members have said. Will the Government look at that relationship and ensure that it is valued, so that both HMRC staff, who do an excellent job, and its customers, are treated the same way as we would expect in any public service?

Mr Gauke: My hon. Friend is right to raise those points. As I said, additional staff are provided to call centres in an attempt to address this matter. HMRC is endeavouring to provide a good service to taxpayers, notwithstanding the difficulties of the circumstances.

Bob Blackman (Harrow East) (Con): May I congratulate the Minister on taking prompt and appropriate action on this inherited fiasco? Much mention has been made of telephone hotlines and so on, but the vast majority of people who receive requests or demands for the return of unpaid tax will not have advisers or anyone to assist them. Will he make an effort to ensure that the letters that are sent to our constituents are in plain English and easy to understand, and that they contain appropriate calculations that the individual taxpayer can appreciate and understand, so that they can make their decisions without recourse to either MPs, tax advisers or accountants?

Mr Gauke: My hon. Friend raises a good point. As I said, HMRC has sent 45,000 to 50,000 letters. We will analyse the responses to those letters to see what can be done to ensure that there is as much clarity as possible in further letters.

Points of Order

1.17 pm

Andy Burnham (Leigh) (Lab): On a point of order, Mr Speaker. At Health questions yesterday, the Health Secretary misrepresented my position on NHS Direct. He referred to a Department of Health press release dated 18 December 2009 and quoted partially from it to imply that he is simply implementing my plans. Let me quote a crucial sentence that he left out:

"111 will not replace...NHS Direct".

By contrast, his Department's press release of 29 August states:

"NHS 111 telephone number will eventually replace NHS Direct".

That is a huge change of policy that affects thousands of staff in the NHS and, of course, millions of patients who rely upon the services of NHS Direct every year.

Is it in order for an announcement of that kind to made on the eve of a bank holiday weekend and for no written or oral statement to be made to the House? Will you, Mr Speaker, intervene in this matter to ensure that there is a detailed statement laying out the Government's plans for NHS Direct, and do you agree that carrying on in that cavalier way is no way to run the NHS or to treat dedicated NHS staff?

Mr Speaker: I thank the right hon. Gentleman for his point of order. The response is as follows. First, it is entirely a matter for the Government to choose the timing, and indeed for the most part, the location of statements that they wish to make. It may well be that Members are unhappy about the timing, but the timing itself was entirely legitimate and proper, so there was no cause for me to intervene on that account.

Secondly, I would say to the right hon. Gentleman that in so far as he was—and remains—concerned that his position was misrepresented, the point that he has raised must constitute a point of debate rather than a point of order. He has now very forcefully placed on the record his own position for others to observe. I have a feeling that this very controversial subject, on which there are strong views, is one to which the House and individual Members will regularly return, and it is open to him to do so.

Thomas Docherty (Dunfermline and West Fife) (Lab): On a point of order, Mr Speaker. It is my understanding that you and the Serjeant at Arms have responsibility for the security and safety of Members of Parliament. Given that very serious allegations have been made against a parliamentary pass holder about the tapping of Members' phones, will you consider whether that pass should be withdrawn until such time as investigations have been concluded, and will you therefore make a statement to the House, perhaps tomorrow before the debate requested by my hon. Friend the Member for Rhondda (Chris Bryant) takes place?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order. He is right about my responsibility and I understand his concern on this important issue. However, I must say to him that there is a long-standing and generally accepted practice that we do not discuss security matters on the Floor of the House. In an

[Mr Speaker]

attempt to be helpful to the hon. Gentleman, I may say that if he has a further and specific point that he wishes to raise with the Serjeant at Arms, it is proper for him to do so. It might be best for him to take the matter forward in that way. If he wishes to keep me abreast of developments outside of the Chamber, that is also an option open to him.

Stephen Pound (Ealing North) (Lab): On a point of order, Mr Speaker. Further to your earlier statement consequent on the application made by my hon. Friend the Member for Rhondda (Chris Bryant), will there be an opportunity for the Prime Minister and the Chancellor of the Exchequer to confirm to the House whether Scotland Yard has identified them as persons of interest in the current *News of the World* investigation?

Mr Speaker: The hon. Gentleman has made a debating point and I have a feeling that he knows that that is what he has done. We shall leave it at that.

Mr Peter Bone (Wellingborough) (Con): On a point of order, Mr Speaker. Further to your statement earlier and with the important debate on Afghanistan to be delayed, has there been any indication that the hours of the House will be altered tomorrow?

Mr Speaker: That is a matter for the Government, as the hon. Gentleman probably knows. That is the simple answer to his question. It may not satisfy him, but that is the situation.

Dr Julian Lewis (New Forest East) (Con): Further to that point of order, Mr Speaker. Is there any way in which Members who have waited a long time for the important debate on Afghanistan can stress to the Government, through you, that it would be iniquitous if the debate were to be cut short?

Mr Speaker: The short answer to the hon. Gentleman is that there is, and he knows it, because he has just taken advantage of the opportunity to relay it to those on the Treasury Bench and we are grateful to him.

Sex and Relationships Education

Motion for leave to bring in a Bill (Standing Order No. 23)

1.23 pm

Chris Bryant (Rhondda) (Lab): I beg to move,

That leave be given to bring in a Bill to require schools to provide sex and relationships education to registered pupils; and for connected purposes.

As people say, " And now for something completely different." I first raised the issue of teenage pregnancy, which is a big problem in many constituencies, and of sex and relationships education some three or four years ago. I was then interviewed by an ITV journalist whose first question was "What is the nature of the problem with teenage pregnancy?" I explained, and his next question was, "And what causes teenage pregnancy?" I said, "Well, I'm not an expert, but I think it is something to do with sex."

There are some very depressing facts on teenage pregnancy. In 2008, there were 41,325 conceptions to girls under the age of 18 and 7,577 to girls under the age of 16. Of the conceptions among girls under 18, 42.4% went on to have abortions. For the girls under 16, the figure was 52.9%. We would all agree that that is an unacceptable situation for our society. Even more distressing, in 2007, 369 girls under the age of 14 became pregnant.

The problem is writ large in many different ways. As someone who is deeply concerned about my constituents and the problem of long-term deprivation, I find it embarrassing that half of the conceptions by teenage girls occurred in the most deprived 20% of wards. Infant mortality among children born to teenage mums is 60% higher than it is for older mothers. Even more depressing, the daughters of teenage mothers are far more likely to go on to be teenage mums themselves. That means that in constituencies such as mine teenage pregnancy and poverty tend to be handed down from generation to generation, as inevitably as a title or seat in the House of Lords used to be. I want to see an end to that.

The most depressing moment that I have had in recent years in discussing this issue was in my constituency, when I met a brave and wonderful young girl. I hope that she will be a wonderful mother and have a fulfilling life. When I first met her, she was 16 and was pregnant for the second time. The first time, she was made pregnant when she was raped by her father at the age of 13.

We know that teenage pregnancy is an enormous problem across the country. The map of teenage pregnancy reflects the map of deprivation. We should be embarrassed by the fact that the international comparisons are terrible. We have the highest rate of teenage pregnancy in Europe—not just slightly, but by far. It is five times higher than in the Netherlands, three times higher than in France and twice as high as it is in Germany. We should do everything that we possibly can to change that.

Some 75% of sexually active 16 to 25-year-olds do not use condoms, and the number of sexually transmitted infections is steadily and dramatically increasing. Young people represent only 12% of the population, but account for nearly half of all sexually transmitted infections. HIV infection has trebled over the past 10 years, with

7,000 new diagnoses every year—and many thousands probably go undiagnosed. In addition, many schools still experience a high level of homophobic bullying, with youngsters suffering and going on to have major mental health problems. Some end up committing suicide. The incidence of suicide among homosexual pupils is six times higher than it is among heterosexuals. In 1990, only 10.3% of women had had their first sexual encounter under the age of 16, but in 2000 that had risen to 20.4%, which is another depressing statistic.

Some Members may say that all that was the fault of the previous Government—*[Interruption.]* I can see a couple of heads nodding. But actually the dramatic increase in teenage pregnancy rates happened in the 1980s and the early 1990s. I do not wish to attribute that to any particular Government or political party, but I simply make the point that now more teenage mothers are in education, employment or training and the figures have fallen in the last 10 years. They have not fallen enough, or anywhere near as much as we wanted them to fall, but they have fallen by 13.3%.

There is no point in being judgmental about this. I have met teenage mums who have been wonderful mothers. They have triumphed over the odds and gone to provide successful careers for themselves and their children. Likewise, I have met many teachers who teach sex and relationships education in school and who do it wonderfully, superbly, including in many faith schools up and down the land.

The judgmental attitude of the past, which meant that girls who got pregnant were thrown out of their homes and ignored by society—everything was brushed under the carpet—has not done us any favours. There is one big difference between this country and European countries with lower rates of teenage pregnancy: all the other countries provide statutory sex and relationships education to every single child from an early age. That is particularly the case in the Netherlands, which has the lowest rate in Europe and by far the best sex and relationships education.

According to reports in recent years on SRE in schools, a remarkably high number of girls get to their first period without understanding what is happening to their body because they have not had any SRE. Far too many children say that they would much prefer their first talk about this to be with their parents but that it is far too embarrassing and difficult for that to happen, and far too many say that the only SRE they had was at the age of 15 when they were told how to put a condom on, in some schools, a banana, and in other schools, a broomstick.

If we start too late, when youngsters are already having sex, we have already lost. We need to ensure that every child in the country has good SRE. Schools should not be able to opt out entirely from providing it, because every child should have the opportunity. Of course, if parents want to withdraw their own child, and if the child does not want to attend, they should be able to do so. That is right and proper, and my Bill would provide for it. However, I do not think that we should have whole schools opting out, either because the governors refuse to contemplate it, or because they are just too lily-livered to ensure that a proper curriculum is in place. That is why I believe that there should be statutory provision. This provision was to have been part of the Bill that came before the House before the general election, but there was a dispute and consequently these elements of the Bill were removed. However, I very much hope that hon. Members this afternoon will give the opportunity for the Bill to proceed.

I am thoroughly aware that just improving SRE in schools will not transform every aspect of the problems I have been referring to. Under-age drinking is still one of the main reasons a lot of young girls get pregnant, because all the good intentions that a couple might have at six o'clock on a Friday evening, when they are completely sober, might completely and utterly disappear when they are blotto at 11.30 pm. We need a better youth service so that young people are engaged with responsible adults who can give them a strong sense of their own self-confidence and self-worth, so that they can make better decisions in life.

In addition, it is important that we have proper early intervention, particularly for girls who are under-achieving in school. So often, young girls, when they feel that they are not loved at home or doing well at school, will almost, in the words of the Joseph Rowntree Foundation, make a career decision to get pregnant. We should be ensuring that there are better alternatives for those girls, so that they can make better choices for themselves and their children in life. I hope that the House will agree this afternoon that, in the words of the Secretary of State for Education,

"it is vital that all children have high-quality sex and relationships education".—[*Official Report*, 12 July 2010; Vol. 513, c. 656.]

1.33 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): I want to make it clear that I do not propose to press this to a Division, but I give advance notice to the hon. Member for Rhondda (Chris Bryant) and his hon. Friends that there are many in the House, not just on the Government Benches but on both sides, who will fundamentally fight his proposals, because we believe that they are the wrong thing for this country. I believe that primarily because this aspect of sexual and relationships education is the fundamental, primary domain of parents within families.

The hon. Gentleman might not have intended to be disingenuous, but it simply is not true that there is not an obligation for elements of sex education to be present within our education system. It exists at secondary school level. One of the things that concerns me about his proposal is that it would introduce the concept of sex education for all key stages, which would include, of course, five and six-year-olds. I have a further concern. As is appropriate, curriculums are developed by school governors, with teachers and parental involvement. That is important. However, his proposal, which suggests a one-size-fits-all approach—imposing something from the centre—goes against the current thinking, which is about local schools knowing best, in conjunction with parents in particular. It is imperative that parents continue to be able to exercise the right to withdraw their children from lessons that they do not believe to be in their children's interests, and if they would rather teach SRE themselves. He added the proviso that children should be able to make that decision for themselves, but I believe that parents should be able to override them until they become of an age when they are legally entitled to do other things themselves.

[Dr Thérèse Coffey]

This imposition on primary schools is fundamentally wrong. Putting it on the statute book is heavy-handed and belies the fact that secondary schools already undertake elements of this education. The constant approach of getting the state to undermine and supersede parental authority is fundamentally flawed. What has been the impact of sex education? A campaigner for the British Pregnancy Advisory Service said:

"There have been a large number of studies about the impact of sex education on abortion rates and pregnancy rates, and these frequently tend to show they are not having the kind of impact that the family planning specialists want. They mainly make us feel good that we're educating people more thoroughly, but they do not seem to have much impact on the abortion rate."

Let us go further. The SHARE scheme in Scotland conducted a test across a wide number of schools using a well-documented control group. It is probably the most carefully designed and rigorously tested such programme in the United Kingdom to date, and at the end of it, the researchers concluded:

"This specially designed sex education programme did not reduce conceptions or terminations...compared with conventional provision. The lack of effect was not due to quality of delivery."

They also said that

"complementary intervention should be suggested",

including socio-economic interventions and parental influence. To be honest, we do not need a big research programme to know that parents are the best people to discuss with their children the concept of sex and relationships education. Dare I say it—I am not trying to be flippant—but perhaps for teenagers the very fact that their parents had sex to have them puts off the discussion. Perhaps that was the case when the hon. Gentleman was growing up. However, we should be braver than that.

In the evidence that the hon. Gentleman cited, he mentioned many different countries, such as Holland, which has invested in sex education. However, he might also have seen the article in *The Times* that read:

"The Dutch Government still penalises single mothers under 18, who are expected to live with their parents if they become pregnant. Until six years ago the Government gave them no financial support."

That might be an example of socio-economic intervention.

The hon. Gentleman failed to mention Italy, which also has low levels of teenage pregnancy, but does not invest significantly in school sex education, so we should not follow the example of the Netherlands and other countries he cites, or indeed France where the abortion limit is at 12 weeks, and suggest that sex education from the age of six is the right way to reduce sexual intervention. Dare I say it, but in the last so many years when sex education has been the norm, the great experiment of the '60s—

Chris Bryant: It has not been the norm.

Dr Coffey: Oh, it certainly has, yet the percentage of people having sex under the legal age limit has doubled. That is not a record that this country should be proud of. I agree with the hon. Gentleman: I am not condemning teenage pregnancy—far from it. I do not think that the age of somebody always reflects whether they are a good mother. However, the fundamental principle is that families and parents know best, not the Government, so we will oppose this Bill fundamentally, every hour, every day.

Question put (Standing Order No. 23) and agreed to.

Ordered,

That Chris Bryant, Ms Diane Abbott, Sir Peter Soulsby, Jessica Morden, Nick Smith, Katy Clark, Mrs Sharon Hodgson, Luciana Berger, Karl Turner, Heidi Alexander, and Alex Cunningham present the Bill.

Chris Bryant accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 February, and to be printed (Bill 69).

Opposition Day

[4TH ALLOTTED DAY]

Crime and Policing

Mr Deputy Speaker (Mr Nigel Evans): I inform the House that Mr Speaker has selected the amendment in the name of the Prime Minister.

1.40 pm

Alan Johnson (Kingston upon Hull West and Hessle) (Lab): I beg to move,

That this House notes with concern the Government's failure to prioritise the safety of communities by not protecting central Government funding for the police; notes the conclusion of the Audit Commission and HM Inspectorate of Constabulary that any budget reduction over 12 per cent. will reduce frontline policing; pays tribute to the police and other agencies for achieving a 43 per cent. reduction in crime, including a 42 per cent. cut in violent crime, since 1997, and for maintaining that reduction through last year's recession; notes that public perception of anti-social behaviour is at its lowest level since it was recorded in the British Crime Survey of 2001-02; further notes that the previous Government set out plans in its Policing White Paper to drive down policing costs whilst maintaining core funding; and condemns the Government's policy of reducing police numbers, restricting police powers and imposing elected commissioners to replace police authorities, thus condemning the police service to unnecessary, unwelcome and costly re-structuring at a time when their focus should be on maintaining the fall in crime and anti-social behaviour.

The previous Government were the first since the end of world war one to leave office with a lower level of crime and disorder than when they came into power. In a previous debate when I mentioned that fact, the Home Secretary challenged it by rather bizarrely mentioning Michael Howard—now the noble Lord Howard of Lympne—who may have been many things, but was not a Government. Although it is true that the noble Lord Howard—recently much derided by his former colleagues—was the only Conservative Home Secretary in 18 years to preside over any reduction in crime at all, it was a modest reduction, to 4.6 million crimes a year, compared with 2.3 million in 1979, when the Conservatives were elected. In other words, without Lord Howard's contribution, crime under the Tories would have more than doubled; thanks to him, it merely doubled, with violent crime rising by 168% and robbery by 405%.

The Conservative party that presided over that truly miserable record refuses to acknowledge the tremendous work of the police and other agencies in tackling its legacy. The Conservatives can no longer deny that crime has fallen, including violent crime, so they resort to saying that crime is still too high—and they are right: it is. But when they were in power, the chances of being a victim of crime were 40%; now it is 21.5%, the lowest since records began. The latest statistics, published by the new Government in July and covering 2009-10, confirm the trend. Both recorded and surveyed crime continued to fall, by around 9%, through the deepest global recession in the post-war era, thus effectively destroying the theory of Lord Howard's fiercest critic, and probably his most feeble predecessor, the current Justice Secretary, that crime fell under Labour only because the economy improved.

The purpose of today's debate is to set out why that record of success is being jeopardised and to highlight three specific areas: first, the Home Secretary's failure to stand up to the Treasury and insist that policing and counter-terrorism be prioritised in the comprehensive spending review; secondly, her determination to restrict the ability of the police and other agencies to use DNA, CCTV and, now we discover, antisocial behaviour orders to deter and catch miscreants; and thirdly, the dogmatic pursuit of the abolition of police authorities and their replacement by a single elected commissioner.

In respect of the CSR, we know that some Secretaries of State are arguing vociferously for their Departments, but the one with the best argument is apparently content to take a 25% to 40% cut in her budget. Before Government Members seek to intervene on me with their Chief Whip crib sheets—subtitled "Patrick McLoughlin's route to a ministerial career"—let me say that if Labour had won the general election, the Home Office budget would have been cut and the police would have had to make savings. That is not a matter for conjecture: £1.3 billion of savings that we would have implemented by 2013 are itemised in last year's pre-Budget report, the Budget, last November's policing White Paper and other public documents.

Mr Stewart Jackson (Peterborough) (Con): On that issue, I have read the wording of the motion carefully, in which Her Majesty's loyal Opposition make the point that it is the Government's deliberate policy to reduce police numbers, which is not the case. I simply make the point that I made before, in the debate in July, that the shadow Home Secretary specifically said on 20 April that he could not guarantee that there would not be a reduction in police numbers. Does he stand by those comments in the election campaign, and does he not see that even a fair-minded person would think his contribution today just slightly disingenuous?

Alan Johnson: I knew that that one would be on the crib sheet. Of course it was right to say honestly to the public that no Home Secretary could guarantee that police numbers would not fall by a single police officer. The number of police and recruitment for the police are matters for chief constables and police authorities. What we guaranteed, as I will explain in a second, was that the central funding that the Home Office provides—which has led to the recruitment of 17,000 more police officers and 16,000 police community support officers—would continue to be provided, index-linked, because we considered crime and policing to be a priority.

The savings that we set out included £70 million in reduced police overtime, £75 million from business support and back-office functions, £400 million from procurement and IT, and £500 million from process improvement. My deal with the previous Chancellor—the one who did produce progressive Budgets—was to prioritise the police and security services by maintaining the 2010 level of central funding necessary for the continued employment of record police numbers, thus reducing the Home Office budget by around 12%, or £1.3 billion,without hitting front-line policing.

We have had a report from Her Majesty's inspectorate of constabulary and the Audit Commission endorsing that approach. The report, "Policing in an age of austerity", concluded that

[Alan Johnson]

"cost cutting and improvements in productivity could, if relentlessly pursued, generate a saving of 12% in central government funding ...while maintaining police availability."

This is therefore not an argument about whether there need to be cuts to the police budget over the next four years; it is an argument about a cut of 12% or, as the Chancellor announced on 22 June, a cut of 25% for the Home Office, which he describes as an unprotected Department.

Keith Vaz (Leicester East) (Lab): I assure my right hon. Friend that I thought of this question myself. On Monday I met the chief constable of Kent, who was concerned about the lack of information coming out of the Home Office. I do not know whether things were done in the same way when my right hon. Friend was Home Secretary, but although the Policing Minister said on Monday that we had to wait until 25 October for the comprehensive spending review, chief officers are now having to prepare their budgets without knowing even a ballpark figure for the cuts. Would it not be helpful if the Government could give an indication as to how much the figure could be, so that chief officers could prepare for what is inevitable?

Alan Johnson: I thank my right hon. Friend for that question. I do not think that the collegiate approach in this House has stretched as far as Members on the Opposition Benches getting the Government Chief Whip's crib sheet. I know that that was his own question, although I suppose that it might have come from our crib sheet. The issue is this: we would not have revealed before a CSR what the settlement was. That is why it is difficult to itemise the savings in advance of a CSR. What can be done—and what we did with the police in the policing White Paper—is to identify those areas that I have mentioned and ensure that the police and the security services understand that we were prioritising police and security. Also, in this year Parliament, including those now on the Government Benches, approved the allocation of funding, knowing that there would be another pay increase in the three-year police pay deal. What has happened now is that the Government have not only demanded more savings this year, despite having to meet that pay increase, but frozen the precept. The police are in a far worse position, including the chief constable of Kent, than they would have been had we been in government.

It is extraordinary that the Government should refuse to add policing to health, education and international development as an area requiring special consideration. The Chancellor is fond of quoting Canada as a precedent for the kind of savage cuts that he heralded in the emergency Budget, but the Canadian Government were not foolish enough to slash police budgets. Expenditure on policing fell by just 0.1% in the years following the Canadian Star Chamber cuts, and then rose steadily thereafter. The number of police officers dipped by at most 3%. In this country, the budget will be slashed by at least 25%, which means a cut in police numbers of between 35,000, as estimated by Professor Talbot, the respected criminologist at Manchester university, and 60,000, according to the magazine *Jane's Police Review*, which took what I hope is the exaggerated view that the cuts might amount to 40%.

The HMIC report means that there can be no further pretence that front-line policing can somehow emerge unscathed from this kind of budgetary carnage. As well as failing to protect central allocations, on which police forces rely for between 50% and 90% of their funding, the Government have placed a two-year moratorium on any increases in the local precepts. So much for localism. As a result, plans are already being drawn up in every police force throughout the country to cut the number of officers, as my right hon. Friend has pointed out. The 16,000 police community support officers, who are popular with the public and central to neighbourhood policing, are bound to go if there are cuts of 25%. As civilian staff, they are more easy to dispose of, which is why police forces such as Durham have already put every PCSO under notice of redundancy.

There was nothing about this in the coalition partners' manifestos. Indeed, the Lib Dems, who believed that this country was under-policed, were promising to use the money saved by scrapping identity cards to recruit 3,000 additional police officers. We now have the Government's own figures for the amount of money that will be saved by scrapping ID cards. I will willingly take an intervention from anyone on the Lib Dem Benches if they want to tell me how many police officers that equates to. Is it 3,000? No. Is it 2,500, 2,000, 1,000, 500, 200? No. If we used all the money saved by scrapping ID cards, we would get 117 extra officers, not 3,000. Would that we could look forward to any increase in officer numbers at all. It is now likely that the Lib Dems will preside over the loss of 3,000 officers every four months over the next four years.

Toby Perkins (Chesterfield) (Lab): My right hon. Friend is making a powerful point about the contribution of the Liberal Democrats. Many people have wondered whether this Government would be any different if the Lib Dems were not involved, but are we perhaps now starting to see how they are involved? When we look at the cuts in policing, the decision to put yobbos on to the street rather than in prison, and they ways in which the Government are on the side of the criminals rather than of the police, we can see that the lily-livered Liberals are indeed making their contribution to government, just as people were beginning to wonder what they were doing.

Alan Johnson: My hon. Friend makes an interesting point. During the general election, the Conservatives and Labour were united in saying, "Don't let the Lib Dems anywhere near crime or national security—or immigration, for that matter." We remember some of their policies in that area. I do not blame the Lib Dems at all for the Government's policy on crime and policing. The Home Secretary has been careful to have only one Lib Dem in her team, and she is a very good Minister, but the Government have not allowed her anywhere near the important stuff in the Home Office. This policy cannot be described as a coalition approach. Certainly, the decision not to prioritise the police in the comprehensive spending review was made by the Conservatives.

I have mentioned the likely loss of police officers over the next four years. Let us have no doubt that cuts of this magnitude will also put national security at risk, as the most senior counter-terrorism officer in the UK has

made clear. Insufficient resources will inevitably lead to the closure of regional counter-terrorism units, to fewer surveillance teams to monitor suspects, and to a reduction in the number of police officers who work full time on counter-terrorism.

Geraint Davies (Swansea West) (Lab/Co-op): Was my right hon. Friend concerned about yesterday's announcement of the abolition of the Audit Commission? We are going to see massive cuts across the board, and the Audit Commission normally monitors, evaluates and supports the performance of the police. The cuts will have differential impacts, and in Swansea, 38% of the people are in public sector employment. They face massive cuts, and unemployment and education cuts are growing, which is fuelling more localised crime. Is he worried that we will not have the tools to assess what is happening, to enable the Government to channel resources to where they are most needed?

Alan Johnson: That is certainly an issue, particularly in the light of the HMIC-Audit Commission's joint report. We must take a rigorous approach to its conclusion that, if the Government cut more than 12%, front-line policing will be affected. Perhaps this is one of the reasons why the Audit Commission has been done away with; I hope that HMIC will not come next.

As police numbers reduce, so will their powers. I shall deal with DNA and CCTV in a moment.

The Secretary of State for the Home Department (Mrs Theresa May): Before the right hon. Gentleman moves on to other matters, may I tell him that I have been listening carefully to the points that he has made about cuts? He knows full well that his Government had pledged to make 20% cuts in public sector spending. If they were not going to occur in the Home Office, where were they going to be?

Alan Johnson: When we were in government, we decided to pick the priority Departments, and the chosen areas were health, education, international development and crime and policing. It is extraordinary that the present Government—*[Interruption.]* Hang on! I am answering the question. It is incredible that the present Government believe that international development, health and, to a certain extent, education must be prioritised, and that they are more important than crime and policing. Quite frankly, I can say as a former Health Secretary that we did not commit to increase the health budget above the rate of inflation. That budget was £110 billion. I went from the Department of Health, which had a £110 billion budget, to the Home Office, which had a budget of about £10 billion. We would have saved £73 billion; we would not have gone for a saving of £113 billion, which Boris Johnson described only yesterday as cutting too savagely and too deeply. It is a central feature of this argument that the Government are going too far with the cuts and that they are failing to treat crime and policing as a priority in the comprehensive spending review, even though it is a priority for constituents everywhere.

During the summer, the Home Secretary made a speech saying that we needed to "move beyond the ASBO". I want to make two things clear. First, the antisocial behaviour order is the most serious of a range of civil powers introduced in 1998 so that the police, local authorities and other agencies could tackle the problem in a co-ordinated way. They needed to tackle the kind of behaviour that falls short of criminality but nevertheless destroys people's lives. These powers are not driven from Whitehall, as the Home Secretary suggested, but through community safety partnerships that involve community groups and social enterprises.

The second thing that we need to be clear about is that, where those powers are used effectively, they work. I shall lapse into what I hope is uncharacteristic immodesty for a moment when I say that they worked particularly well during my year as Home Secretary, when an additional emphasis was placed on the victim and on intensified activity in localities where public perception of antisocial behaviour was above average.

The social affairs correspondent of *The Guardian* said recently that these measures had had no discernible effect, but they had a discernible effect in the one place where an effect can be discerned—namely, the British crime survey. The Home Office, under the current Home Secretary, stated on 15 July that, whereas previous reductions had been in one or two specific areas,

"the reduction between 08-09 and 09-10"

the glorious year of Johnson—

"reflects falls in the proportion of people perceiving a problem with almost all types of anti-social behaviour that make up the overall measure".

That refers to reductions in abandoned cars, noisy neighbours, drunkenness, drug use, youth nuisance, litter, vandalism and graffiti. Those are all issues for which there were insufficient powers prior to the Crime and Disorder Act 1998. The statistical release went on to say that antisocial behaviour was now at its lowest level since records began, with, for the first time, a majority of the population agreeing that the police and councils were dealing with antisocial behaviour in their local area.

Christopher Pincher (Tamworth) (Con): The right hon. Gentleman cites statistics. Forensic Pathways, an organisation in my constituency, has used Home Office data to show that, although the volume of crime has fallen in the past seven years, the detection and clear-up rates have not fallen. So the cost of crime, per crime, is going up, and the police are becoming less efficient. Does he not think that, rather than ploughing money into a broken system, it is better to get the bureaucracy off the backs of the police so that they can do the job we want them to do—which is to detect more crime?

Alan Johnson: It is great to hear Conservative Members accepting that crime has fallen, as they spent so long dancing around the issue under the right hon. Member for Epsom and Ewell (Chris Grayling). They were told off by the UK statistics authorities and by everyone who looked at the matter. Some people in the police force are looking askance at what this Government are doing. I mentioned the record under the previous Conservative Government. The hon. Member for Tamworth (Christopher Pincher) is right that the conviction rate needs to be tackled as well, but under the previous Conservative Government, it was not just the conviction rate and the detection rate that had not been tackled, as crime reached 4.6 million—a doubling—under the Tories. There was a 168% increase in violent crime and a

[Alan Johnson]

405% increase in burglary. Of course, the Labour Government can be criticised for aspects of what happened over the last 13 years, but what no Conservative Member can do is to suggest that somehow crime has gone up when that was in fact their legacy. If Britain were ever broken, it was broken between 1979 and 1997. The statistics I am citing are not mine; they are the Home Secretary's.

The death of Fiona Pilkington and her daughter last year shocked this House and shocked the country. It had a profound impact on me as the incoming Home Secretary. That is why I wanted to intensify action. There is no evidence from this tragic incident that it is time to move beyond the ASBO. All the evidence, summarised so astutely by the coroner in that tragic case, showed that the police and local authority in Leicestershire were acting as if they lived in the pre-ASBO era, when no powers existed. One police officer said at the inquest that antisocial behaviour was nothing to do with the police. He was wrong. It is certainly not the responsibility of the police alone, but the police are responsible for it. That police officer was wrong, but 13 years ago, he would have been right. We have to be careful not to return to those days. The Home Secretary speaks of the need to tackle the root causes of this kind of behaviour as if she is unaware of Sure Start, free nursery education, family-nurse partnerships, family intervention projects, the education maintenance allowance, the huge increase in apprenticeships, the 30% increase in the number of kids from deprived areas going to university and all the other measures introduced by the Labour Government—yes, to be tough on the causes of crime, as well as on crime itself.

Hazel Blears (Salford and Eccles) (Lab): My right hon. Friend is providing us with an excellent list of the range of powers available to deal with the very complex issue of antisocial behaviour. It is not just about enforcement, as it is also about tackling the causes. Does he agree that the victims of antisocial behaviour disproportionately live in the poorest parts of our communities in Britain? Someone living in a nice leafy suburb behind a gated community might not appreciate the misery still caused by antisocial behaviour. That is why we need the powers to deal with the problem.

Alan Johnson: I am grateful to my right hon. Friend, who did a great deal during her time at the Home Office to pursue this agenda. I think that all social strata can suffer from this problem, but she is right in what she says about poor areas. That is why we must never go back to the days when the typical response to this problem on the Labour Benches was saying that we should not get involved in it. We did; we have; it succeeded. We pioneered restorative justice. We began linking drug treatment to prison sentences. We trebled investment in prison education. As a result, reoffending is down by 20% and youth reoffending by nearly 25%.

The Home Secretary said in her July speech that for 13 years people had been told that

"the ASBO was the silver bullet that would cure society's ills".

I want her to give me one example—just one—of a Minister ever making any such claim. We never did. It took a whole range of measures to deal with the spiralling crime that we inherited, and that is what we did. As usual, the only thing wrong with the Home Secretary's pronouncements is the facts.

Nicola Blackwood (Oxford West and Abingdon) (Con): If the ASBO was such an excellent policy, will the shadow Home Secretary please explain why the chief constable in my local area wrote an article published in *The Daily Telegraph* on 30 July saying that

"we need to give people the confidence to tackle anti-social behaviour. In Germany, two thirds of citizens would intervene in public; in this country, two thirds would not. Referring everything to the police, and the legal system, is not the answer to every problem—nor is it affordable."?

Alan Johnson: There it is, this is another "big society" argument—or "do it yourself": there will not be any PCSOs and police numbers will be cut, so do it yourself. Actually, that article did not in any way contradict what I am saying. There is not one police officer or local government officer in this country and no one on a crime and disorder reduction partnership who does not understand that people have to work together using a range of measures, including getting communities involved. It works successfully where communities have decided to turn their own communities around, but they get help. What the Government are now proposing—the hon. Member for Oxford West and Abingdon (Nicola Blackwood) could not have put it more succinctly—is that people will get no help in future. That is the Tory argument that we are countering. As I said before, the Home Secretary is often accurate on everything except for the facts.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): Following the irrelevant drivel that we have just heard in the previous intervention, is my right hon. Friend aware that Inspector Damian O'Reilly of my constituency, who has just won the Greater Manchester police's community police officer of the year award and has been entered for the national finals, wrote to me to say:

"Were ASBOs to be abolished it would be devastating for both the community and the officers who put much effort into obtaining them, the problems would reoccur and the only winners would be the criminals?"

Alan Johnson: Yes, I agree. As I mentioned, ASBOs are the most serious of the range of measures to combat antisocial behaviour, as an acceptable behaviour contract or a simple letter to the parents of a miscreant might be enough to stop it. What we introduced, as the coroner in the Fiona Pilkington case pointed out, was 15 measures that the police and local authorities could use, dependent on severity of the behaviour. ASBOs, as I say, apply at the more severe end, but all those measures need to be used together, depending on the problem.

Geraint Davies: Will my right hon. Friend give way again?

Alan Johnson: No, not again, if my hon. Friend does not mind; I have already given way once to him.

On DNA, the Home Secretary says with the smug piety that can have come only from working closely with the Liberal Democrats that our proposed way forward on the DNA database was disgraceful, because, she says with eyes blazing, it meant that the DNA of

innocent people would be retained. That is what the right hon. Lady says and I see her nodding her head; it is a viewpoint that she uses against us. The fact is, however, that she proposes to do exactly the same. The difference is that we would keep the DNA profiles of those innocent of both serious and non-serious offences while she would keep the former but not the latter. Furthermore, we would both take the DNA from all those arrested and keep it for a sufficient period to check against previous crime scenes. The logic of the lofty argument that she has got from the Lib Dems—*[Interruption.]* I will come on to the issue of six years in a few moments. The logic of the argument that innocent people's DNA is being kept is that we should not take DNA from anyone until they are convicted. Let me explain how nutty that proposition is; it is so nutty that it is not even a Lib Dem conference policy—always a good gauge of whether something is extraordinarily daft.

There is no evidence whatever that those arrested but not convicted of a non-serious offence have any lower propensity to be re-arrested than those arrested but not convicted of serious offences. I repeat—no evidence whatever. If there is, we will no doubt hear it put forward from the Government Dispatch Box. Mark Dixie, the man who brutally raped and murdered Sally Anne Bowman in her front garden, was on the DNA database because he had been arrested but not convicted of a pub-fight—a non-serious offence. If that DNA link had not been made, a guilty man would have remained free to rape and murder again and an innocent man, Sally Anne's boyfriend, who had dropped her off outside her home after a blazing row witnessed by passers-by, would probably be serving a life sentence. Steve Wright, the murderer of five prostitutes in Ipswich, was on the DNA database because he had been arrested for suspected theft. He would not have been on the database under the Scottish model, which this Government want to adopt.

Furthermore, while the Scottish model retains the DNA of those arrested but not charged for three years—I come to the issue raised by a sedentary comment from the Minister for Immigration—rather than for six years as we propose, it also allows the police to extend the period of retention for unlimited further two-year periods. The next time Members hear the Home Secretary accuse Labour of wanting to retain the DNA of innocent people for six years, they should remind themselves that she wants to adopt the Scottish model. She wants to adopt a system that allows the DNA of innocent people to be retained indefinitely; a system that has no evidential support; a system that, according to the Association of Chief Police Officers, would cost an additional £158 million to administer because of all the bureaucracy involved in the two-year reviews; and—most important—a system that would have probably left 26 murderers and rapists unconvicted had it been in force last year.

The Minister for Immigration (Damian Green): There is not a shred of evidence for that.

Alan Johnson: The Minister is in the Home Office now. He can seek the evidence. It comes from ACPO's research, and it comes from Home Office statistics. That is why I used it when I was Home Secretary. That is why my right hon. Friend the Member for Delyn (Mr Hanson) and I used it when we steered through legislation that was agreed to by the Minister's colleagues. *[Interruption.]* During the wash-up period, the right hon. Member for Epsom and Ewell said, "No way will we agree to this", but they agreed to it. They could have stopped it, but they did not. I hope that that is because they have begun to realise their sheer folly—and I assure them that they will discover what folly there is in the actions proposed by the Government.

As for CCTV, we still do not know what the coalition means by its reference to greater regulation, or why it considers that there is a problem. I can tell my hon. Friend the Member for Chesterfield (Toby Perkins) that that reference definitely came from the Liberal Democrats, but we do not know what it means. Given the existence of the Data Protection Act, the Human Rights Act and the Freedom of Information Act, all of which apply to the authorities responsible for public-space CCTV surveillance, it is difficult to gauge the problem, but in the light of the portentous speeches of the Deputy Prime Minister, we must conclude that the Government want fewer CCTV cameras because the Liberal Democrats have consistently accused the last Government of introducing a "surveillance state".

I support CCTV and reject the argument that it offends civil liberties. Indeed, it protects the civil liberties of our citizens—and, as we have seen recently, those of the occasional cat dropped in a wheelie bin. I agree with the Minister for Policing and Criminal Justice, the right hon. Member for Arundel and South Downs (Nick Herbert), who, in 2007, wrote this—it is excellent—in his local newspaper:

> "I had been shown a community centre on a council estate that had been burned down in an arson attack... If only there had been CCTV, the attack might have been prevented or the perpetrator caught.... to those who claim that this all heralds a Big Brother society, I say, why should innocent people worry that someone is watching out for their safety?"

The right hon. Gentleman spoke for Britain then. The vast majority of the population would support what he said, although sadly it is not the view of the pseudo-libertarian Government of whom he is now a member.

Anna Soubry (Broxtowe) (Con): First, the episode of the cat in the bin was filmed not by state-controlled CCTV, but by CCTV that belonged to the householder. *[Interruption.]* There is a big distinction. Secondly, does the right hon. Gentleman not accept that many leading members of his party have expressed concern about the 13-year legacy of the last Government, and about the fact that the balance between policing and civil liberties has tipped in the wrong direction? All that we seek to do is redress that balance. It is critical to a right and proper society that policing and the rights of the individual are balanced correctly, but the right hon. Gentleman's party failed to achieve that in 13 years.

Alan Johnson: Well, that went on a bit.

I am perfectly well aware of what kind of CCTV caught the cat in the bin. Mine was a throwaway remark, and I now wish that I had not thrown it away. But it is good to hear that the hon. Lady believes that we went too far, and wants to reduce the number of CCTV cameras. That is her point, is it not? Good.

I can tell the hon. Lady about the level of bureaucracy that will have to be introduced if the CCTV cameras are to be taken away from Catwoman's observer and every

[Alan Johnson]

other private household. It simply cannot be done. As for CCTV in public spaces, it is already governed by all the legislation that I mentioned earlier.

Anna Soubry: Will the right hon. Gentleman give way?

Alan Johnson: No, I will not give way again. It was tedious last time, and it would be tedious again. If the Government want to strike a blow against the surveillance state, they should sack Andy Coulson, not take away CCTV cameras.

We recently learned of another power that was due to be introduced, but is now held in suspended animation. This is a serious point. I refer to domestic violence protection orders, which received cross-party support earlier this year. They are designed to protect instantly women and children who are under threat. ACPO, the National Society for the Prevention of Cruelty to Children, Women's Aid and the Home Affairs Committee urged their introduction to close a major gap in public protection. I pay tribute to my right hon. Friend the Member for Leicester East (Keith Vaz), who chairs the Committee.

There was no dispute whatsoever about the need for that measure, but although the Home Secretary has said that her

"ambition is nothing less than ending violence against women and girls",

she presides over a regime that is threatening the enormous progress that has been made in tackling domestic violence over the last 13 years. There has been a 64% reduction since 1997. I am pleased to see that the Attorney-General is present, because he, with rather more grace than the Home Secretary, has recognised the significant increases in successful prosecutions and the sharp fall in the number of discontinued cases, as well as the amazing reduction in domestic violence. However, as the Home Secretary will agree, there is much more to be done in this crucial area.

Thankfully, the Government were forced into a U-turn on anonymity for rape defendants—mainly, I have to say, owing to the work of my right hon. Friend the Member for Don Valley (Caroline Flint), who pursued the issue tirelessly. I think that it is time to execute the same manoeuvre, and to get on with introducing domestic violence protection orders as quickly as possible.

Mrs May: The right hon. Gentleman is absolutely right. Domestic violence is an issue that should worry Members throughout the House, as, indeed, should all forms of violence against women. If the last Government were so concerned about it, however, can he tell me why it took them 12 years to produce a strategy to end it?

Alan Johnson: The answer is quite simple. The Home Secretary ought to do some research. From 1998 onwards we did not need a strategy, because we had introduced an action plan involving the changes that led to the reduction to which I referred. *[Interruption.]* The statistics that I quoted came from the Attorney-General and from the Home Office. If we had waited 12 years to introduce any measures to deal with this issue, we would not have reduced domestic violence by 64%.

As I said earlier, during the biggest global recession that we have experienced since the 1930s, crime fell by 9%. During the recession of the 1990s over which the Conservatives presided, it rose by 18%, and domestic violence doubled. That was the legacy of the broken Britain that we remember from those days. It is ridiculous of the Home Secretary to suggest that because we published a strategy to deal with domestic violence against women and young girls and then moved to the next stage, we did nothing for 12 years. We did nothing for 12 years except reduce domestic violence by 64%, and produce all the other statistics quoted so generously by the Attorney-General.

I have dealt with the reduced resources being inflicted on police forces with restricted powers. Let me now deal with the third part of the triple whammy: the imposition of elected commissioners to replace the hundreds of experienced councillors, magistrates and other citizens who sit on our police authorities. Here we see the "we know best" arrogance of the Government in all its depressing detail. The public did not vote for the abolition of police authorities at the general election, or for their replacement by an elected commissioner. This model is opposed by the police, by local councillors of all political persuasions, by ACPO, by the Association of Police Authorities, and by practically everyone who knows anything about policing.

The Local Government Association, under a Tory stewardship, says it does not believe that introducing directly elected individuals is the best way in which to strengthen police accountability. The association believes that such action

"will weaken the ability of the police, councils and other public services to cut crime."

It could also "fragment local partnerships" and make a "place-based budgeting approach"—I am not sure what that is—"more difficult" to operate. Yet the Minister for Policing and Criminal Justice has said:

"we are not going to consider other models, this is the model we are going to introduce, that is the coalition agreement."

And so we have a rushed White Paper, "Policing in the 21st Century". Incidentally, the Conservatives also produced one of these in 1993; it was called "A police service for the 21st century", so the titles do not change much but the content certainly does. They published the more recent document on 26 July for an eight-week consultation period over the summer break. Helpfully, at the back of the document there is a code of practice on consultations, which includes the criterion:

"Consultations should normally last for at least 12 weeks with consideration given to longer timescales where feasible and sensible."

Irrespective of where we stand on the political spectrum, the topic under discussion is a major issue about which there are deep reservations. To quote from the code of practice, it is "feasible and sensible" to have a longer consultation than 12 weeks; there is no argument whatever to curtail it.

The first objection to the proposal is its puzzling inconsistency in relation to the approach to elected mayors. While a referendum is necessary if a city or town might have an elected mayor, no such public consultation is proposed for the equally profound step of introducing a single commissioner to replace the collective and diverse wisdom of police authorities—and this, again, from a Government who preach localism.

There is, of course, an attraction in direct accountability; indeed, when we were in government we looked at the issue not once, but twice. However, the difference between

us and the dogmatic zealots who now occupy the Treasury Bench—I excuse the Attorney-General from that—is that we consulted properly. Our 2004 consultation found overwhelming opposition to direct elections. Respondents pointed out the dangers of extremist groups succeeding on low turnouts, single-issue groups dominating, a move to a more short-term approach with re-election dependent on quick wins rather than long-term objectives, the politicisation of accountable bodies and the lack of public appetite for elections and the cost of running them. However, the case for directly electing the 17 members of the police authority—which is what we consulted on and which was Liberal Democrat policy at the last general election—is much stronger than that for the replacement of police authorities by a single elected commissioner. This is the most ill-considered and pernicious aspect of the proposal.

Sir Ronnie Flanagan looked at this issue in his 2008 review. He expressed the great fear about a single person with a political mandate exerting pressure that too readily conflicts with operational judgment. He pointed out that it may also be an impediment to collaboration—which, rightly, is a major part of the Government's White Paper—since the vote for the post will be on localised issues rather than the largely unseen issues of cross-border collaboration.

Flanagan made a number of points from a policing perspective, but an even stronger argument concerns the loss of a body of people who are geographically diverse as well as diverse in terms of ethnicity, gender and background. The Government propose a new body—a police and crime panel—to oversee the commissioner. That is meant to provide the checks and balances. The body will, however, have no say on policing and no veto over the commissioner's decisions. Therefore, we face the prospect of having an elected commissioner who, as the White Paper makes clear, will have a team of personal appointees, and a police and crime panel to overview the commissioner but not the police, whose overview will be conducted by a single commissioner whose decisions are final. Somewhere in all of this will be elected councillors—and in some places elected mayors. Chief constables will have to find their way around this maze, with all the additional costs involved, while trying to cope with the biggest financial upheaval the police service has ever faced.

Robert Halfon (Harlow) (Con): If it is okay to elect a Prime Minister and local councillors, why is it so wrong to give a local community the chance to choose the kind of policing it wants for its neighbourhoods? Why are the right hon. Gentleman and his party so hostile to local democracy?

Alan Johnson: This is a very different issue from that of elected mayors, because they have a broad remit. We introduced elected mayors, and we agree that the Mayor of London should chair the police authority. The trouble is that he finds doing that too hard, so he has stepped down and his unelected deputy is now chairing it. We agree with the Mayor chairing it, however; that is very important.

To answer the hon. Gentleman's question, I believe, as do many other Members on both sides of the House, that the narrower a post's remit, the more difficult is the argument that we should elect someone to the post by individual ballot, which I presume is why the Government are not suggesting electing the local leader of the health service or the local chair of an education authority. This is a fundamental argument. If there is a broad remit, part of which is policing, election is fine, but if someone is being elected to a post that addresses only one narrow remit, then I think it is wrong. I have serious concerns about this, and the Flanagan consultation showed that they were widely shared.

Caroline Flint (Don Valley) (Lab): Does my right hon. Friend share my concern that one of the problems with having elected police commissioners—or whatever they are going to be called—is that policing organised and serious crime, which we do not necessarily hear about on our doorsteps but which reaches into our communities, will get deprioritised and will not be attended to as seriously as it should be?

Alan Johnson: I think that is absolutely right, and on this there is no difference between the Front Benchers. The Government refer in their White Paper to the "golden thread" of connectivity. That is a very important point; indeed, Sir Paul Stephenson made it in a recent speech. It is more and more the case that police forces have to co-operate across borders to tackle terrorism, cybercrime and serious organised crime.

Several generations of police reformers in the USA have regarded the British model of insulation from political control as a solution to their problems of corruption and partisanship. They also consider that the fact that America has literally hundreds of police forces makes their job really difficult. The point is that they cannot go back—once this kind of measure is introduced, that is it; there is no return. I therefore think the Government are being extremely foolish in going down this route. They suggest that there will be no political interference and that the commissioner's powers will be little different from those invested in a police authority now, which begs this question: what is this upheaval for?

The Government say there is the problem of the invisibility of police authorities and we agree, as do the APA and the LGA. That is why so much effort is going into addressing that invisibility issue without jeopardising either the effectiveness of the really good people involved, who have served their communities well, or the crucial principle of the operational independence of chief constables.

I think there is a better solution and I offer it to the Government in a spirit of political generosity. If the Government are wedded to some measure of direct accountability, I believe a solution might be direct elections for the chair of a police authority while leaving police authorities in place and certainly not causing this huge upheaval—*[Interruption.]* I am sorry, but I did not catch the sedentary comment of the Minister for Policing and Criminal Justice; if he wants to intervene he can. I think that such elections would be a far better way forward and that the Government should seriously consider that alternative. Instead of the eight-week consultation period, the Government should opt for 12 weeks at least so that these issues can be properly debated. I also believe that if they decide to plough ahead with this they should at the very least give the local population a chance to decide in a referendum whether it wants to maintain the current system or move to a single directly elected commissioner.

[Alan Johnson]

On police powers, I say in the same spirit of political generosity that the Government should maintain the DNA legislation, which they supported in the pre-election wash-up, until 2012 when the database will have been in operation for six years. At that point there should be a review of the actual evidence, instead of us just having the projections that inform both our model of six years and the random guess plucked out of the air, which is how Scotland came up with the three year option. Then we can decide properly on the relative merits of the two models. Otherwise we are going to wipe all the DNA information from the database after three years and find out after six years that it is irrefutable that we needed to maintain that information for that length of time to catch murderers and rapists.

The Government should also not reduce the number of public-space CCTVs. I do not wish to interfere with the CCTVs outside Mrs Smith's house at 42 Acacia avenue. We do not need to reduce CCTV coverage in public spaces.

On the most important issue—on police funding—the Home Secretary has to fight her corner to ensure that policing and security are prioritised in the comprehensive spending review and that cuts in the police budgets do not exceed 12%. As this Government's honeymoon period draws to a close, they are vulnerable on many issues, none more so than crime and security, where the issue is not about political vulnerability; it is about the vulnerability of our citizens as they seek to go about their daily lives. Despite the successes of the past 15 years, from Howard to Johnson, the battle against crime and disorder has to be stepped up, not scaled back. I warn this House and Members on the Government Benches that the Government are taking the wrong approach and that by refusing to listen and consult they demonstrate not their commitment to civil liberties, but their failure to protect the most important civil liberty of all: the right to be safe from crime and disorder.

2.31 pm

The Secretary of State for the Home Department (Mrs Theresa May): I beg to move an amendment, to leave out from "House" to the end of the Question and add:

"notes the appalling fiscal deficit left by the last Government and reiterates the urgent need to restore the nation to economic health; recognises that the police will need to play their part in reducing that deficit; and welcomes the Government's proposed policing reforms, which will deliver a more responsive and efficient police service, less encumbered by bureaucracy, more accountable to the public and, most importantly, better equipped to fight crime."

The text of the Opposition motion and the 50-minute speech that we have just heard from the shadow Home Secretary provide yet more proof, if any were needed, of the utter state of denial of the Labour party. From listening to the shadow Home Secretary and reading the motion, one would wonder how on earth Labour lost the election; it had such a perfect record on everything. Let me just remind the House of its record. Labour doubled our national debt and left us with the biggest deficit in the G20. As much as Labour Members might now like to pretend otherwise, if they had won the election, they would have had no choice but to take action to reduce the deficit. We know that they were already planning 20% cuts—they just did not have the guts to tell us where those would come from. This afternoon, however, we were told by the shadow Home Secretary that they were going to come from health, defence and local government—*[Interruption.]* Labour Members say that he did not say that, but I asked him where the cuts were coming from and he said, "Well, they weren't going to come from policing and education" and that he would have taken—

Alan Johnson *rose—*

Mrs May: Perhaps he is going to tell us now.

Alan Johnson: The right hon. Lady really does need to follow the debate and to read the documents. Some £75 million was to come from police overtime, £400 million from procurement and £500 million from process. This was all set out in the pre-Budget report, the Budget and last November's policing White Paper—£1.3 billion-worth of savings. The Government can keep parroting that we have never set all this out, but the trouble is that we have and it is available to look at.

Mrs May: I say to the shadow Home Secretary that the intervention that he has just made was not the answer given to the question that I put to him earlier about the cuts and on which I was just commenting. The Labour party went into the election promising 20% cuts. He claims that those would not have come from the Home Office budget. I asked him where they would have come from and, as my hon. Friend the Member for Carshalton and Wallington (Tom Brake) has made clear from a sedentary position, the right hon. Gentleman made it clear that they would have come from health—that is what the shadow Home Secretary was saying.

If the shadow Home Secretary will not listen to me—he does not appear to wish to listen to me on the issue of cuts—perhaps he will listen to the following:

"When ... Alan Johnson"—

flails at—

"the coalition for protecting NHS spending against cuts being inflicted elsewhere in Whitehall, Labour looks as if it is indulging in opposition for opposition's sake. Comfortable it may be. But it will not bring Labour back to power."

Those are not my words, but those of the former Labour Cabinet Minister, Alan Milburn. So let us hear no more nonsense from those on the Labour Benches about police budgets and police numbers.

Labour's denial is not just about police funding; it is also about its record on crime and policing. I had hoped that the shadow Home Secretary would use the freedom of being in opposition to get around the country and to be out there meeting people and finding out what they really think about what is happening. He might, thus, have learned about the booze-fuelled violence that takes place in too many of our town centres at night, and about the gang crime in our cities and the antisocial behaviour that makes so many people's lives a misery. But judging by his speech today, and indeed by the motion, he has not bothered to find out what people actually think—

Geraint Davies *rose—*

Mrs May: Wait a moment. That is a shame, because there are occasions when the shadow Home Secretary

stops playing party politics and is a bit more candid about his record and about our policies. On licensing, for example, he has said:

"I regret not doing more to tackle the problems caused by binge drinking during my period in office. The Government"—

this coalition Government—

"is right to stop alcohol being sold below cost price. It's something we should have done."

Alan Johnson *indicated assent.*

Mrs May: I welcome the support that he is, obviously, going to be giving to those measures when they are introduced in the police reform and social responsibility Bill.

Alan Johnson: I have been listening.

Mrs May: The shadow Home Secretary listens selectively to one or two of the things that we say; I have just made the point that sometimes he is willing to put aside party politics and to make statements of that sort. Sadly, we did not hear any of those statements in the speech that he has just given. Instead, we heard the familiar rewritten history of the past 13 years. Let us examine some of the claims that Labour makes about that period. It hired a record number of police officers, but it bound them so tightly in red tape that they are available on the streets for only 11% of their time.

Alan Johnson: That is not true.

Mrs May: The shadow Home Secretary says that that is not true. I remind him that that figure comes from the very Her Majesty's inspectorate of constabulary report cited in his motion.

Alan Johnson: I shall say two things on this. Those on the Government Benches are deriding Michael Howard so, first, I should say that it was the White Paper called "A police service for the 21st century", produced under Lord Howard, that introduced all of the target regime and suggested that the Home Office should be able to appoint the chairs of political authorities. Some of that was the right thing to do. I know that he is derided by those on the Government Benches, but Michael Howard was actually a very successful Home Secretary.

My second point deals with the HMIC's figure on availability. HMIC talks about the percentage of the police who are available at any one time to be on the streets. The police work in shifts, and some police officers are sick, some have to be in court, some deal with counter-terrorism and some deal with child pornography, so that statistic is meaningless. Many police officers have been quick to point that out. There is no way in which under the previous Government that availability rate would have been any higher.

Mrs May: I say to the shadow Home Secretary that I am deeply disappointed in what he is saying. I will tell him who that statistic means something to—it means something to my constituents, and to those of other hon. Members, when they do not see police on the streets. They know the reality, but sadly the shadow Home Secretary is not willing to accept it. The reality is that because of things that his Government did we have seen that police officers have been tied up in bureaucracy and red tape, kept in police stations filling in forms when they could have been out on the streets, where people want to see them and where they want to be.

This is not just about the bureaucracy faced by police officers; the previous Labour Government passed a record number of laws, but left office with nearly 900,000 violent crimes taking place a year. They spent a record amount on criminal justice, but they left office with 26,000 victims of crime every single day. Labour Members might think that that is a record to be proud of, but we do not and neither do the British people.

Siobhain McDonagh (Mitcham and Morden) (Lab): Could the right hon. Lady tell us how many of those victims would support her suggestion to get rid of antisocial behaviour orders or would support the reduction in the number of CCTV cameras? Has she ever come across a constituent who wants to see fewer CCTV cameras?

Mrs May: Once again, the trouble with the Labour party is that it is making up things about what our policy is, purely in order to meet the arguments that Labour Members want to bring into this House. On CCTV, we have said that we want better regulation of it and automatic number plate recognition—ANPR—and it is right and proper for us to introduce that. If the Labour party thought that there was nothing to be done about CCTV, why did it start looking at introducing somebody to examine the regulation of CCTV? The regulation of CCTV is important and I suggest to the hon. Lady that she does not go around trying to suggest that the Government are going to get rid of CCTV cameras as a result of our policy to regulate those cameras better.

The hon. Lady has given me a welcome opening here, because I wanted to go on to discuss not only the record of the previous Labour Government, but what we are going to do— that is despite the fact that this is an Opposition day debate. I want to talk about how we as the new coalition Government will deliver effective policing that cuts crime in an era of falling budgets, because we on this side of the House are determined not only to tackle the legacy of debt we have been left with by the last Government, but to make sure we deliver high-quality public services even as we reduce public spending. If we are to succeed, the policing reforms I announced to the House before the summer recess, which were so derided by the shadow Home Secretary, will be vital.

Despite spending more on criminal justice than any comparable country, we remain a high-crime country—the chance of being a victim of crime here is higher than almost anywhere else in Europe—*[Interruption.]* Those on the Labour Front Bench are making lots of comments from a sedentary position, but that is again part of the denial. The idea that this country is somehow a wonderful world where people do not experience crime or antisocial behaviour because of the impact of the last Government is completely false. We remain a high-crime country and we need to do something about it. The complacency on the Opposition Benches about this issue is, frankly, breathtaking.

Alan Johnson: Will the Home Secretary confirm that the figure, which is in the White Paper, comes from the international crime victims survey, which was last carried

[Alan Johnson]

out in 2004 and surveys 2,000 people—in comparison with the British crime survey, which surveys 45,000 people—and sometimes takes its statistics from those convicted, a very important point that was raised in an earlier intervention, and sometimes has nothing to do with the level of crimes? It is not a basis for saying that we have the highest crime rates in Europe. Will she confirm that?

Mrs May: What I will confirm is that yet again, in this debate, we have seen from those who made up the Labour Government an unwillingness to accept what people out there see and feel on their streets. It is about issues of crime and levels of crime in this country that are not acceptable. Whatever the right hon. Gentleman says about the figures, I think that figures such as those that I quoted earlier—26,000 victims of crime a day and nearly 900,000 violent crimes a year—are not figures to be proud of. They are figures that we need to deal with. We need to do more and that means unfettering the police and allowing them to get out on the streets and to do what they should be doing, which is dealing with crime.

Hazel Blears: The right hon. Lady is right that there is always more to do in tackling crime. The Labour party has never been complacent about how important these issues are to the British public. However, does she not accept that there is now the lowest risk for more than 20 years in this country of becoming a victim of crime? Of course we are not perfectly safe but we are an awful lot safer than we used to be under previous Governments.

Mrs May: I am disappointed in the line that the right hon. Lady has taken. She made an important and valid point earlier in her intervention on her right hon. Friend the shadow Home Secretary about antisocial behaviour and the important fact that all too often the perception of antisocial behaviour is worse in deprived communities and those communities that are among the poorest and most vulnerable in our country. My point is very simple: none of us can be complacent about levels of crime in this country. We need to find the ways in which we can reduce crime and in which we can help the police to do their job.

Geraint Davies *rose—*

Mrs May: No, I will not give way at the moment.

That is why we want to restore that connection between the police and the people that we believe has been bogged down by bureaucracy and damaged over the years.

Mr Brian Binley (Northampton South) (Con): My right hon. Friend will be aware that Northamptonshire people have little to thank the previous Government for. They reviewed formula funding in a way that benefitted the county and then failed to implement it. They admitted that the population figures used were incorrect but failed to act on them and they cheated Northamptonshire police out of millions of pounds a year. On that basis, will my right hon. Friend meet a delegation from Northamptonshire and, I hope, talk about reviewing formula funding?

Mrs May: Either I or the Minister for Policing and Criminal Justice would be very happy to meet delegations of colleagues, but I must say to my hon. Friend that the Lincolnshire Members of Parliament have already got in before him to discuss their bid on formula funding. However, as I have said, I am happy to meet such a delegation, as is the Minister for Policing and Criminal Justice.

Let me turn to the point about the accountability of the police and the policing reforms that we will put forward in the police reform and social responsibility Bill. Our changes to the accountability of the police will be crucial in ensuring that they once more become crime fighters instead of form writers. Central to those reforms is the idea that we want to get rid of the inefficient and ineffective processes of bureaucratic accountability, where power rests with Whitehall civil servants, and replace it with direct democratic accountability, with power placed back in the hands of the people. Not only will that make the police truly responsive to the needs of the public, but it will mean a more efficient and innovative police service, free from the meddling of central Government. We can be as aggressive as we like in cutting police paperwork—and we are—but we will never achieve the culture change we need until we deal with the driver of the problem and that is Whitehall.

As I noted earlier, according to the recent report by Her Majesty's inspectorate of constabulary that is cited in the motion, only 11% of police officers are visible and available to the public at any one time. It is not as if the Opposition were not warned about that when they were in power. The shadow Home Secretary has quoted Sir Ronnie Flanagan, but he said in his review that the difference in paperwork now compared with when he was a front-line officer was "truly staggering". Jan Berry, the last president of the Police Federation, said:

"As a result of Government diktats, the service has been reduced to a bureaucratic, target-chasing, points-obsessed arm of Whitehall".

The last Government did not listen, but we will. Already we have cancelled the top-down public confidence target and scrapped the policing pledge. We are reducing the reporting requirements for stop and search and we are scrapping the stop form in its entirety. We will return charging decisions to officers for minor offences and we will reform the health and safety rules that stop police officers intervening to protect the public.

That is just the start. Shifting the model of accountability from the centre to local communities removes the need for pages and pages of bureaucracy and it removes the temptation to Home Secretaries to issue initiative after initiative.

Keith Vaz: Of course, we welcome the steps taken by the Home Secretary to reduce bureaucracy, but the previous Government were also committed to reducing bureaucracy. That goes back, as the Home Secretary has said, to the Flanagan report. Will she commit herself to ensuring that Jan Berry, when she delivers her final report, can continue the good work that she is doing in monitoring the level of bureaucracy and advising the Government from outside the Home Office about the need to continue along this path?

Mrs May: We obviously look forward to the results of the further work that Jan Berry has been doing in this area. The right hon. Gentleman started his intervention

by commenting that the last Government intended to reduce bureaucracy, but the problem was that they did not. We have come in and within a matter of months we have shown specific examples of where we can reduce that bureaucracy.

Mr David Lammy (Tottenham) (Lab): On that point, my recollection is—I think that the shadow Home Secretary said this in his contribution—that the previous Government did make some progress on bureaucracy. My concern, particularly on stop and search and stop and account, is that we have a long history in this country of recognising that they can have particular effects on particular communities. I hope that the right hon. Lady will be sensitive, particularly in relation to my constituency, to the fact that we have a long past during which this issue has been at the absolute apex of concern about crime. I do not want to see the sort of problems that we had in the 1980s again. When she says that bureaucracy is being reduced as regards stop and account, will she say whether there will still be accountability for stopping ethnic minorities, in particular?

Mrs May: I recognise the right hon. Gentleman's concerns. He makes particular reference to his constituency, and there will be others who will share his concern. That is why, as I said, we are reducing the reporting requirements for stop and search. We fully recognise that we need to do that in a sensitive way that notes and deals with the issue that he has raised.

In addition to dealing with bureaucracy, we will introduce directly elected police and crime commissioners—single, named individuals who will be democratically accountable to their communities. That accountability will be real and will be provided not by invisible police authorities—surveys show that only 7% of people know that there is a police authority they can go to if they have a problem with the police—and not by Ministers hundreds of miles away in London, but by people themselves. The police commissioner will be somebody whom people have heard of, whom they have voted for, whom they can hold to account and whom they can get rid of if they do not cut crime. So we will leave local crime fighting to local crime fighters, but we will not forget cross-border, national and international crime. It is an irony that for years the Home Office has tried to micro-manage local policing from the centre while it has neglected policing at the national level. That is why we will establish a national crime agency with a proper command structure to fight serious organised crime and to control our borders.

I understand that it was only yesterday that the Opposition added antisocial behaviour to their motion. The shadow Home Secretary spent quite a bit of time on it in his speech, but he forgot to mention his own quote about the last Government's record on antisocial behaviour, when he said:

> "We became a bit complacent...we...dragged our feet by not making it a priority."

He claimed that the police have the powers they need to deal with antisocial behaviour and that there is a range of 15 options that they can use, but the fact that there are so many options is precisely the problem. We have individual support orders, acceptable behaviour contracts, antisocial behaviour injunctions, antisocial behaviour orders and criminal antisocial behaviour orders. There is a whole list of options that increases the bureaucracy and complexity and means that in many areas, the police, councils and local people find it very difficult to decide what is appropriate, and that all too often things are not applied.

The shadow Home Secretary should also know that three quarters of incidents of antisocial behaviour are not reported and that more than half of ASBOs are breached. Again, that is not a record of which to be proud or on which to be complacent. That is why we need to look at the whole toolkit that is available to the police in dealing with antisocial behaviour. No number of sanctions is a match for local policing that is responsive to local needs. That is what this Government's police reform agenda will deliver—simpler, smarter sanctions that are faster to obtain, easier to enforce and that provide a strong deterrent and a real punishment.

Mr Robert Buckland (South Swindon) (Con): One of the main problems encountered by those dealing with ASBOs has been the inordinate length of time it can take for applications to succeed, only for people then to find that the problem that they were dealing with has gone away or has transmogrified into something else. Secondly, CRASBOs, or criminal ASBOs—I am sorry about using that acronym, or euphemism; it does not matter—are totally ineffective. They are afterthoughts that are bolted on to convictions and their enforcement has been nothing short of lamentable.

Mrs May: My hon. Friend makes a very strong point about the panoply of ASBO powers that are available. The important point is that the bureaucracy involved in getting an ASBO means that, all too often, nothing is done, because it takes so long to get something enforced. That is why so many communities up and down the country find that the orders are not working and why they continue to suffer from antisocial behaviour.

Geraint Davies: Will the right hon. Lady give way?

Mrs May: Oh, the hon. Gentleman has been bobbing up and down all afternoon, so I will give way to him.

Geraint Davies: It is very generous of the right hon. Lady to see me. I could not sit any closer; I have been doing my best. Will she say how her Government expect to reduce the number of short-term prison sentences—now a clear and amplified ambition—at the same time as getting rid of ASBOs and the current means of reducing those short-term measures without a massive escalation of crime and antisocial behaviour in the community?

Mrs May: The hon. Gentleman should not try to second-guess what may or may not be in the sentencing review that will come from the Ministry of Justice. There is a commitment to reviewing sentencing and I suggest that he should wait until that comes out, when he will be able to make his comments.

One area that I want to speak briefly about, which has not been touched on much today, is the unmitigated disaster of Labour's Licensing Act 2003. One in three people who turn up in accident and emergency have alcohol-related injuries, and alcohol-related crime and disorder costs the taxpayer up to £13 billion every year. When that legislation was introduced, we were promised a café-style culture, but five years on the police are still fighting an ongoing battle against booze-fuelled crime and disorder. So we will overhaul Labour's Licensing

[Mrs May]

Act to ensure that local people have greater control over pubs, clubs and other licensed premises. We will allow local authorities to charge more for late-night licences, which they will then be able to plough back into late-night policing in their areas. We will double the fine for under-age sales and we will allow authorities permanently to shut down any shop or bar that persistently sells alcohol to children. We will also ban the below-cost sale of alcohol to ensure that retailers can no longer sell it at irresponsible prices. As I have said, I welcome the support for that which we will have from the Opposition.

In today's motion and in the shadow Home Secretary's speech, he and the Opposition have fallen into the trap of thinking that they need to oppose everything the Government do just for the sake of it. They are denying the legacy of debt that they have left to this Government and they oppose the Budget cuts that they had planned to make. In denying their record, they oppose the police reforms that they once proposed, so let me try to shake the shadow Home Secretary out of his state of denial. Police officers are available on the streets for just 11% of their time and there are 900,000 violent crimes a year and 26,000 victims of crime every single day. That is the legacy of the Labour party and it will be up to the coalition Government to put things right.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): As hon. Members will see, there is a 10-minute limit on speeches and the usual rules apply as far as interventions are concerned.

2.57 pm

Sir Gerald Kaufman (Manchester, Gorton) (Lab): I am very grateful to you, Mr Deputy Speaker, for calling me at this point in the debate. I have to start with an apology: the Jewish new year starts at sunset and therefore I shall not be able to attend the winding-up speeches because the imperative of the synagogue is greater than the imperative of the Whips.

Crime is a concern that never goes away. Whatever the statistics say, and whoever quotes those statistics, crime against one's family or oneself is, for most people, the only crime. That is natural. However, statistics show that crime in many categories has gone down and that the number of police has risen. The Greater Manchester police cover my constituency, and the statistics that they have issued over the past few weeks, while not perfect, as they never will be, are encouraging. They show the beneficial effect of both the dedicated work done by our police in Manchester and more widely and the policies that the Labour Government implemented.

In my constituency, taking into account the continuous and justified concern about law and order issues that there will always be, the record is even better. Statistics that have been sent to me by the police in my area show that 76.5% of users of the law and order mechanism were satisfied with that service. That is remarkable because the satisfaction of the population will always be affected by crime levels and the effect of crime on themselves. Remarkable figures have been issued for my constituency showing reductions in antisocial behaviour, burglary, vehicle crime and robbery. We also have remarkable figures on the detection of serious sexual offences, domestic abuse, racially or religiously aggravated crime, burglary, vehicle crime and robbery. Our figures on levels of crime are a great credit to the police, so I thank the police in my constituency, and those more widely in Greater Manchester, for the wonderful job that they do. I repeat that that does not mean that the statistics are perfect, but they are getting better all the time.

Given the commendable record of the police and the fact that they have close relations with the community, what will the Government do? First, they will spend a lot of time meddling with administration and, secondly, they will make huge cuts in spending. The Home Secretary kept on saying—it was like a mantra—that we have a coalition Government, so let us look at what the Liberal Democrat manifesto said. It included the heading "Cutting crime with more and better police", even though there will be fewer police. It said that

"more police are needed on the streets...to provide a longer arm for the law".

but the number of police on the streets, like the number of police overall, will be cut. The manifesto said that, if the Liberal Democrats had any voice in government, they would,

"Pay for 3,000 more police on the beat",

but there will be fewer police on the beat. I can say to the Government and the Liberal Democrats that we will tell everyone in Gorton again and again that, while the Liberal Democrats will make promises, if they are ever involved in government, they not only fail to deliver them but then turn them on their head. We will not allow the Liberal Democrats in my Gorton constituency or those more widely in Manchester to get away with that. What the Liberal Democrats promise and what the Home Secretary foreshadows will not happen.

Mr Graham Stuart (Beverley and Holderness) (Con): Will the right hon. Gentleman give way?

Sir Gerald Kaufman: I hope that the hon. Gentleman will give me a moment, but if I have time, I shall certainly give way.

We must also consider the situation surrounding antisocial behaviour orders. We pioneered ASBOs in Manchester and have a remarkable record on that. Inspector Damian O'Reilly has just received the Greater Manchester police's community police officer of the year award and will be entered in the national finals in November. He has given me information about how ASBOs have dealt with gangs in my constituency. That has been praised by a judge. When certain people who had been detected and rounded up by the police were found guilty by that judge, he said:

"It's time to give Ryder Brow"—

which is in my constituency—

"back to the residents".

Inspector O'Reilly—he is someone who is doing this work—says that he has found ASBOs

"to be really effective in breaking up the dynamics of problematic groups".

He goes on to state:

"Were ASBOs to be abolished it would be devastating for both the community and the officers who put so much effort into obtaining them, the problems would reoccur and the only winners would be the criminals."

The Home Secretary states—although it is impossible to say how she knows this—that only a proportion of antisocial behaviour is reported. She seems to suggest that that is an indictment of ASBOs, but only a minute proportion of rapes are ever reported by rape victims—a tiny number of women report rapes—so does that mean that we should not have legislation to deal with rapists? The right hon. Lady puts forward an utterly absurd argument.

No Government have ever had a perfect record on law and order, but the Labour Government improved things and made it possible for the police at the sharp end to improve the situation in my constituency. Time will tell what will happen as a result of the Government's proposals and the objectives that the Home Secretary set out today. If she is right, we will have to acknowledge that, but if she is wrong, the Government will be to blame and they will have to carry the can. What they are doing is likely to make the criminal more rampant while the householder who is burgled and the person who is knocked down on the street become more vulnerable.

Mrs May *indicated dissent.*

Sir Gerald Kaufman: But neither the right hon. Lady nor I can provide statistics for next year or the year after, and we will judge her on them.

3.6 pm

Mr Aidan Burley (Cannock Chase) (Con): I should start with a declaration of interest in that not a single word of my speech has come from the Chief Whip's crib sheet, despite the fact that my right hon. Friend was born and bred in my constituency.

We have heard a lot of speculation about the possible effect of cuts. As it happens, that was pure speculation, given that we do not know what the settlement will be following the comprehensive spending review, and Labour Members have not had the good grace to tell us where they would make cuts. However, I want to try to nail one issue by moving the debate away from the stale analysis of inputs of the past 10 years and towards an assessment of outputs. During its 13 years in government, the Labour party was incredibly successful at one thing in particular: persuading the country that only by putting more in could we possibly get more out. That is why the debate about effective policing is always focused on numbers of police rather than what they actually do, as we have heard.

Labour Members have always followed a simple equation: more money equals better public services. They therefore believe that simply having more police and PCSOs automatically means that there will be better policing, irrespective of what those people do all day—whether they are in cars, on patrol, filling in forms or responding to jobs. The Opposition seem incapable of acknowledging that simply having more police officers doing more administrative and bureaucratic tasks leads to lower morale and, ultimately, less effective policing.

Labour Members have extended the argument of looking at inputs rather than outputs to the public sector as a whole, but if their argument is true—if more public spending genuinely equals better public services—this country should have some of the best public services in the entire world. Given the amount that we have spent, borrowed and spent again during the past 13 years, we should surely have the best public services in Europe, but the sad reality is that we are at the bottom of many league tables because we have the worst services.

Labour Members will remind us that we have more police than ever, with 140,000 full-time equivalent officers in England and Wales, but let us not make their mistake of thinking that having record numbers of police means that we have record effectiveness of policing, because almost the opposite is true. Despite the record numbers of police, there is huge public dissatisfaction with the service. Significantly, the public's attitudes towards the police are negatively related to personal experiences of the police service. The shadow Home Secretary likes to cite the British crime survey, but according to its 2005 public satisfaction report, although 89% of people were satisfied with their initial contact with the police, only 58% were satisfied with their follow-up contact. Only 50% of all respondents thought that the police in their area did a good or excellent job, and that was down from 67% in 1994. According to the BCS, therefore, such satisfaction decreased massively under the previous Government from 67% to 50%. A 50% satisfaction rating is a very poor performance by any institution; similar surveys rate doctors, teachers, judges and the NHS higher—unsurprisingly, only politicians score worse.

At the same time as we have record spending on the police, we have declining public satisfaction with the service they receive. That leads me to my key point: if more money does not equal better public services, it cannot be the case that less money will mean worse services. Why, when there is a record number of police officers, do the public still routinely say when asked that they feel less safe? Is it something that only Members on this side of the House understand? Only in the public sector is Labour's absurd notion that better results can be achieved only with more money propagated. In the private sector, if better outcomes or more efficient production are needed to sell more work or deliver better results faster, spending more money is pretty much the last thing that those in that sector think about. If the customer is not happy, they do not put up the price; they look to take costs out of the business and seek ways to make efficiencies, improve processes, reduce overheads and stop spending time on administrative and bureaucratic tasks. If they conclude that efficiencies are needed to lower the price and stay competitive, then, by God, that is what they do.

Siobhain McDonagh: I am trying to follow the hon. Gentleman's argument closely. We all accept that the service is not perfect. Does that mean that he believes that better outputs will be achieved with fewer police officers on the street?

Mr Burley: I think better outputs are possible with fewer officers if they are better directed and not spending their time doing administrative, bureaucratic and ultimately futile tasks that do not benefit the public in any way.

To continue the comparison with the private sector, Sainsbury's employs 150,000 people in this country and is creating 5,000 new jobs through store openings this year because of—not despite—saving £4 million this year in administration costs by moving its entire staff recruitment process online. Tesco's has just taken £3 million out of its cost base, simply by rationalising how meeting

[Mr Burley]

rooms are booked. Those successful businesses are competitive because they are fit and lean, constantly seeking ways to reduce costs and inefficiencies while giving the best service to the public.

Caroline Flint: When police forces were inspected for outcomes, often, in terms of reducing crime, they were doing well in those categories, but one area where they did not do quite so well was communicating with the public. Does the hon. Gentleman think that the police should spend more resources on communicating, or should they spend their resources on police officers fighting crime?

Mr Burley: I think the police should spend their resources on fighting crime. Communication will follow if they are doing a good job and the public are happy.

My question is this: if the private sector can make those efficiencies while giving better services and products, why can the police not do the same? What exactly are all the extra police we are constantly told about spending their time doing? As we have heard, Home Office figures have revealed that police officers spend more time on paperwork than on patrol—just 14% of police officers' time is spent on patrol, compared with 20% on paperwork. Of the 81,000 officers who patrol our country, including detectives, traffic police and neighbourhood watch teams, just 17,000 will be on duty for an average eight-hour shift. With 14% of their time spent on patrol, only 2,400 officers are out and about at a given time—just one in 58 of a record number of police officers is patrolling the streets at any one time. No wonder Jan Berry, former chairman of the Police Federation, commented:

"People hear about a record 143,000 officers and it sounds a lot, but the reality, as these new figures show, is quite different. The Government obsession with targets and data collection, as well as the failure to provide an effective system to share information, has resulted in officers spending less time on the beat and this can only be at the expense of the public."

Even way back in 2001, a study by PA Consulting for the Home Office found that police officers were spending as much time in the police station as they were on the streets. For five hours a day—more than 50% of the time that the officers were on a shift—they were sat in the station. The study also found that most of the time spent in the police station was spent dealing with incidents and making inquiries; only 17% of police officer time was spent on reassurance patrol; and only 1% of police time was spent proactively reducing crime. The study also unearthed a startling statistic: if the amount of time a police officer spends on the beat could be increased from one fifth to two fifths, the police presence on the streets of England and Wales would effectively be doubled, without a single extra officer being recruited. Clearly, there is considerable scope to free officers to spend more time out on the beat, and a massive dividend to be gained from doing so.

Hazel Blears: The hon. Gentleman is making some interesting points about efficiency and productivity, but does he accept that much of the bureaucracy is not in the police station, but in the courts system, which ties our police officers into giving evidence, preparing case files and having a huge amount of paperwork? I recommend to him the argument that more effective liaison with the criminal justice system is essential if we are to get more productivity.

Mr Burley: That is an entirely fair point, and I agree, but the focus of this debate and of my speech is on police bureaucracy.

That leads me on to a pledge, which I am sure Labour Members recall, made in 2002 by the then Home Secretary, the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett). He promised a "bonfire of the paperwork" to free up more police time, which he said would save 90,000 hours a year. The Home Office then set up a policing bureaucracy taskforce, which published a report with 52 change proposals, which it claimed would

"enable patrol officers to invest the time equivalent of 22,500...in improved quality of service on the streets."

The taskforce said that that would be achievable within three to five years, but today—nearly 10 years later—not a single update has been published nor follow-up audit made available on how many of those recommendations were implemented and whether that was successful.

The reality is that the recruitment of additional police officers and a public commitment to develop neighbourhood policing will have little impact unless the major bureaucratic obstacles facing the police in this country are removed. The annual cost of non-incident-related police paperwork in England and Wales has been estimated to be about £625 million. Police have to produce planning and review team performance improvement reports, more than 100 pages long, every month. Paradoxically, under Labour, while the Home Office increasingly attempted to micro-manage the police from the centre, it showed weak leadership in other areas of policing, where I think the centre has a role to play in driving through reforms and improving collaboration. Huge savings could be made from, for example, ensuring IT compatibility, joint procurement and sharing of back-office functions such as fleet management, uniforms and administration.

That is why I am delighted that the coalition Government are no longer focusing on police numbers—we are not playing the numbers game. Instead, we are focusing on police outcomes, improved by clearing away bureaucracy and inefficient, wasteful practices. Yes—referring to the shadow Home Secretary's remarks—we need a big society, because the alternative to a big society is a big state, and not only is a big state unaffordable, but it infantilises people and discourages them from taking responsibility. It is Labour's big state that leads directly to the sort of horrendous incident that occurred in Manchester in 2007, when two police community support officers stood by as a 10-year-old boy drowned in a local pond, because the health and safety rulebook said they could not intervene. If the coalition is to leave the police forces of the United Kingdom one major legacy, let it be this: it is time once again to allow the police to serve the public, rather than the statistical whims of Ministers in Whitehall.

3.19 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): I should like to contribute to this debate from the point of view of my constituents and the needs of my constituents. What concerns me about radical cuts to the police service is that we will see the end of safer neighbourhood teams as we currently know them.

Safer neighbourhood teams were introduced in the teeth of opposition from the advocates of traditional policing. The arguments were that police in panda cars, driving around in response teams, were a far more effective way of reducing crime than safer neighbourhood teams. I am not a policing analyst, but my experience suggests that, when it comes to tackling crime, confidence and belief in the police, and the process of becoming connected to one's local police team, are more likely to be more effective than the response teams that we have traditionally seen in the Metropolitan police area. Discussions with my local area commander and with the Metropolitan Police Commissioner have reinforced my fear about the cuts in safer neighbourhood teams. They are easy to cut and get rid of, because they have gone against the trend of policing over the past 50 years.

Mr Graham Stuart: The hon. Lady knows that earlier this year the shadow Home Secretary talked about making 20%-plus cuts. She says that she does not want to see cuts in safer neighbourhood teams, so will she share with the House where she would like to see the cuts made, and where she thinks priority should be placed on the savings that, unfortunately, her Government's legacy made necessary for whoever were in power?

Siobhain McDonagh: The shadow Home Secretary has already identified this afternoon where the cuts would be made in the Home Office budget, and we believe that safer neighbourhood teams should be our priority, because our tax-paying constituents want to see that and believe in that. They want to see their police out there on the beat, to know their names and to know their police community support officers.

In 2011, we will see the end of the Mayor of London's financial commitment to PCSOs. What will that mean at that time? The PCSOs were much derided by Conservative MPs and by the press when they were introduced, but they have been a tremendous addition to traditional policing, because, on intelligence gathering, PCSOs have the confidence of local residents and are able to discuss concerns with them. I appreciate the point that the hon. Member for Cannock Chase (Mr Burley) made about the mistakes that are occasionally made, but when one brings in any new service or public administration, our urgency and desire to introduce them sometimes outstrips our ability to consider all the options and eventualities. Yes, in the early days of PCSOs, mistakes were made in service provision, but they have been amended and PCSOs are well embedded in our areas.

PCSOs are perhaps most effective in those areas where people are less inclined to speak to the police, and among the groups and communities that are most alienated from the police and from all sorts of Government bodies. That is because PCSOs are more likely to be from an ethnic minority, older and different from traditional police officers. Many people in my community, particularly in Pollards Hill, feel closer to their PCSOs and find it easier to discuss matters with them.

I also say to the hon. Member for Cannock Chase that policing is about not just tackling crime, but community confidence, people's ability to speak to their police officers and a feeling of safety. That involves communication and the police's ability to communicate. The police do not necessarily have those skills, because they go into the job to tackle crime; we—the political we—have to provide them with those skills and with the ability to communicate what they do. However effective the police become at tackling crime, the ability of the media and all sorts of people to decry what the police do can be so effective as to make people unaware of their achievements. They have not only to tackle crime, but to be seen to tackle crime, and that is why communication and communication skills are so important.

Mr Stewart Jackson: In that typical way of new Labour in government, however, did not safer neighbourhood policing panels become very process-focused organisations? The aim of communicating with local people was a laudable one, and we could afford to do so in good times, but it was also a displacement activity, because one only had to talk to most basic command unit commanders to find out that the number of prolific and persistent offenders remained high. Those people were on a carousel in the criminal justice system, and safer neighbourhood teams did nothing about that problem, and nothing, in particular, about antisocial behaviour.

Siobhain McDonagh: Can I absolutely oppose what the hon. Gentleman says, accept that safer neighbourhood teams were perfect and argue that their shift patterns were always correct? No, of course I cannot. I fought against the balance of shift patterns in my constituency. Are there problems with the fact that shift patterns have to be printed 18 months in advance, and with requests for uniformity among the teams? Yes. But my police teams in each ward in my constituency know exactly who their prolific offenders are, where they are and what they are doing, and their intelligence assists the other, reactive police teams in the division.

The amount of intelligence on, and knowledge of, communities is so much more significant now. That becomes really important in an area such as mine in south London, where population turnover is so huge and quick, and where from all over the world groups of people with different practices and ideas come to live, often becoming the foremost victims of violent crime.

The antisocial behaviour order has not been 100% successful, because no measure is 100% successful, but, on the idea that they should be scrapped because they are breached 50% of the time, I must ask, do we scrap laws on burglary, fraud or anything that we like because there is a recidivism rate? No, we do not. We have to try to find out why people continue to commit antisocial behaviour and deal with them. We are on a journey, and the police are entering an area that used to be occupied by different forces of control, whether they were the extended family, the stronger community or church and religion. Our communities are very different, and the idea that people are going to go out and tackle antisocial behaviour, confront people whom they do not know and put themselves in a vulnerable or frightening position is unrealistic.

We must see the police out there, taking action. They have to be there for people, when they need them and in the way that they need them, but I am absolutely convinced that huge, swift cuts in the police service will reduce the number of police whom we see on the street. A reduction in police on the street means that our most vulnerable constituents will have less confidence in the police, and that fewer crimes will be tackled, and in the end that cannot be what we want.

[Siobhain McDonagh]

Our discussions in the House are so different from those that I have with my constituents. I have never met a constituent who has told me that the police have reduced our civil rights; my constituents want to see more effective ways of dealing with antisocial behaviour. I have never met a constituent who wanted to get rid of CCTV; all my constituents want more, because it makes them feel safe and confident. I just do not understand how some MPs can make the speeches that they do. I am absolutely confident that they would not go back to their constituents and make such speeches, because they are so out on a limb when compared with how people feel.

A reduction in the number of police officers is against all our interests, and against the interests of our constituents. I ask Government Members seriously to consider that when the matter comes up on 20 October.

3.28 pm

Tom Brake (Carshalton and Wallington) (LD): It is a pleasure to follow the hon. Member for Mitcham and Morden (Siobhain McDonagh), from my neighbouring constituency, who, as always, does a very good job of defending her constituents' priorities. She said that she has never come across anyone who has complained about their civil liberties being impacted by the police. Well, having spent five hours contained by the police at the G20 protest, I personally feel that on that occasion my civil liberties were infringed, along with those of 2,000 or 3,000 other people who were present at that event.

The right hon. Member for Manchester, Gorton (Sir Gerald Kaufman), who has unfortunately just left the Chamber, was very helpful in telling us what he was going to tell his constituents about what the Liberal Democrats were doing in the coalition Government. I wanted to tell him—he will have to read it in *Hansard*—what we will be telling his constituents about the economic scorched earth policy that his Government adopted when they were in power. We will also point out to them that he, like many other Labour Members, suffers from the characteristic amnesia that has afflicted the Labour party since the general election.

I was greatly entertained by what was not exactly a leadership bid by the old Home Secretary, but at least a bid to secure his position as shadow Home Secretary in any future Labour shadow Cabinet. His speech may have had some credibility on the Labour Benches, but those in the wider country will perhaps have wanted a demonstration of some humility for the part that he played in creating the calamitous economic car crash that the coalition Government now have to turn around. But of course he made no such acknowledgement of the part that he played, nor of the fact that we have had to borrow £150 billion in the past year. I am afraid that with his rather facile asides he demonstrated the same ingrained—perhaps it is ingrained in his DNA—denial culture that is far too often demonstrated by Labour Members.

I am critical of the previous Government's economic incompetence, but not uniformly critical of their record in power. They achieved some very positive things of which they can be proud. For instance, I support the safer neighbourhood teams. I support the role that police community support officers play and the impact that that has had not only on crime locally but on the perception of crime. I hope that irrespective of what police forces up and down the country will face as a result of the economic circumstances that we are in, they will be able to maintain their presence on our bstreets. The hon. Member for Cannock Chase (Mr Burley) did a good job of demonstrating how much can be achieved in increasing police presence on our streets. That does not necessarily require there to be more police officers but simply better use of the available time.

The consultation paper "Policing in the 21st century" sets out where the coalition Government are going. I welcome the debate that they have kicked off in relation to several police and justice issues, whether it be licensing and banning the sale of below-cost alcohol, short-term prison sentences, or the system of temporary bans on legal highs, which we will debate tomorrow. Those are good matters for us to discuss as a Parliament. I welcome the reforms that are set out in that paper.

Prior to the general election, for the Liberal Democrats as a party, the creation of elected police commissioners was undoubtedly the most controversial proposal that the coalition is now taking forward. I want to explain why we are supporting that proposal within the coalition. The key to this is the checks and balances that will be in place to cover the activities of elected police commissioners, and we need to focus our attention on those. I welcome the fact that there will be a strong duty on commissioners to collaborate with other commissioners to ensure that cross-border issues are addressed, because that was one of our fundamental concerns.

As regards the powers that the panel will have, I hope that we can get the coalition Government to move a little further in relation to the strategy or budget that the elected commissioner is to adopt, because those are matters that the panel could have a more decisive say over. Perhaps, similarly to what happens with the Mayor's budget, a two-thirds majority might be required to oppose the commissioner's budget or strategy and for that then to have to be reviewed. The coalition Government should consider that carefully. With better checks and balances, it is possible to ensure that elected police commissioners work and can be fully representative of communities. I hope that there is still time to consider elected commissioners as a pilot project. It is always worth rolling something out in a small way to start with and measuring its effectiveness before introducing the whole scheme, so I hope that even at this late stage that can be considered.

I am pleased to see the Minister for Equalities on the Front Bench, because I wish to raise the question of how we can ensure that the whole cohort of elected police commissioners do not look like me and most of the other male Members in the Chamber. It would be regrettable if the system ensured that the only people who could get elected were white, middle-aged males and there was no representation of any other gender or ethnicity among the commissioners. I hope that the Minister for Policing and Criminal Justice will respond to that point in his summing-up.

Although it is a matter for debate between the Government and the Mayor of London, I should like some clarity on the future of the Metropolitan Police

Authority if the Minister is able to give it. There is some confusion about whether it will be abolished, as "Policing in the 21st century" suggests, or whether its administrative functions will simply be absorbed into city hall. Also in a London context, is the Minister entirely happy with elected commissioners being able to delegate their role to another individual? The coalition Government are rightly selling elected commissioners on the basis that there will be one strong person with whom the population can identify, and that people will know who to contact and who is responsible. If their power is delegated to someone else, I believe that link will be broken.

I wish to mention one further issue in the short time that I have left, which is the absorption of the Child Exploitation and Online Protection Centre into the national crime agency. I am sure that the Minister is aware that CEOP has concerns, particularly about its ability to continue to work in a wide partnership with a host of organisations, such as social services. Those organisations may find it difficult to continue the partnership process if CEOP is absorbed within the NCA completely. I hope that the Minister will be able to provide some reassurance that the situation will be manageable within the NCA and that the strong links and positive partnership that exist will not be damaged.

I am pleased to have had a chance to speak in today's debate. I welcome what the Government have set out in "Policing in the 21st century" on where policing will go in the next few years, but there are still some concerns about elected police commissioners. I hope that the coalition Government will address those concerns to ensure that commissioners are representative of their communities and deliver an agenda that the entire local community will support.

3.38 pm

Keith Vaz (Leicester East) (Lab): It is always a pleasure to follow the hon. Member for Carshalton and Wallington (Tom Brake), who for a long time was a member of the Select Committee on Home Affairs. I congratulate him on his recent appointment as the Liberal Democrat spokesman on home affairs.

It would be unfair to talk about the Government's record on crime and policing, as they have been in office for only 16 weeks. Quite rightly, therefore, the debate so far has been focused on their reform programme. It is an ambitious programme—I know it, and so do members of my Committee, some of whom are in their places, such as the hon. Member for Cannock Chase (Mr Burley) and my hon. Friend the Member for Birmingham, Selly Oak (Steve McCabe). At every single meeting of the Committee so far, there has been discussion about how on earth we will respond to the Government's crowded agenda on crime, policing and other Home Office issues.

I should like to begin by welcoming some very important policies that the Government have initiated, because they are all recommendations of the Home Affairs Committee of the previous Parliament. The establishment of the National Security Council, the work on alcohol-related crime, the announcement today of the extradition law review, even though we have not yet had a decision on Gary McKinnon, what the Government are suggesting on reducing bureaucracy, the decision to implement the law on wheel-clamping, which the Committee has been on about for the past five years, and the proposals on a fast-track means of banning legal highs are all welcome moves by the Government because, of course, the Committee recommended them in the previous Parliament.

My concern is that the good intentions will be put at risk by the comprehensive spending review. The Government will have serious problems with police numbers. I accept that the law and order and policing debate should not be around numbers, although every Member of Parliament has always told their constituents that they want to see more bobbies on the beat. In exchanges with me and others, the Police Minister has said—indeed, he told the Committee this—that he does not believe that there will be a reduction in front-line policing as a result of proposals in the CSR, but I do not believe that that is possible.

On Monday, at the invitation of another member of the Committee, the hon. Member for Rochester and Strood (Mark Reckless), I went to Medway, where I spoke to the chief constable about his statement last Friday, in which he said that if the Government's proposals to cut expenditure by 20% go through, he will see a reduction of £35 million in his budget, which would mean the loss of 1,500 police officers. That is a huge number for a county such as Kent. Therefore, although the Minister feels that he cannot be specific on numbers and the effect that the CSR will have on local police forces, the fact is that it will impact on each and every Member of the House. Will he seek at the earliest opportunity to give an indication to local police forces of how much the cuts will be, because at the moment, an enormous amount of senior police officers' time is spent trying to guess what the percentage will be? The earlier they get a response from the Government, the better. Even a broad indication of the proposals would be extremely helpful to them.

I listened to the excellent speech of the hon. Member for Cannock Chase, who is absolutely right that the reduction of bureaucracy and the saving of money is a crucial part of our view of policing, but the previous Government started us along that route. Perhaps they did so later than anticipated, but as the Minister may find out, Ministers cannot do everything immediately—things take time. The previous Government initiated the Flanagan review, and Jan Berry was appointed by Jacqui Smith, the previous Home Secretary, and she has done some valuable work on the reduction of bureaucracy. We all have an interest in ensuring that police officers are back on the beat and that they provide front-line services rather than waste their time on unnecessary bureaucracy. That is why the Government should give a commitment to keep Jan Berry in post after she delivers her final report in July. It is important that someone who knows about policing acts as an external force, because such a person can deal with the vested interests that try to prevent real change.

However, the Government should also give special attention to good practice. When I was in Kent on Monday, I saw that the local police were doing some excellent work on the reduction of street prostitution and on offender management. When I went to the constituency of my hon. Friend the Member for Houghton and Sunderland South (Bridget Phillipson), I saw effective engagement by the police with local people—the essence of community policing is the ability to engage with local people. It is important that such good practice is shared as quickly as possible.

[Keith Vaz]

I remember a visit to Burton I made a year ago with the then MP for the area. Staffordshire police had done good work in reducing paperwork from 24 sheets of paper to one, but that good practice has still not been rolled out by the Home Office to other areas of the country, and that would save a great deal of time.

I shall not go into the issue of procurement now, but I am sure that the Minister knows what I mean. Kent police have bought Skodas, but the next-door forces in Sussex and Surrey have bought different makes of car. We cannot have 43 police authorities all buying different vehicles. Procurement is vital. Indeed, it is a no-brainer and I do not know why it has not been done in the last 20 years, let alone the last 13. Successive Governments have failed to get the procurement policies right, but it is time to break down the vested interests and give some clear direction.

The big change will be in the landscape of policing, including in effect the abolition of the Serious Organised Crime Agency and the National Policing Improvement Agency, and the creation of the national crime agency. This is a great opportunity to change the landscape of policing. For the first time, one can achieve policing on a national level with specialist interests. This is an opportunity for the Government to pause and hear the advice of stakeholders before they rush in and create a new organisation. The danger in abolishing existing organisations—which have budgets of £470 million and £430 million, almost £900 million—without thinking carefully is ending up with the problem that the NHS has of almost constant reorganisation. I ask the Minister to pause and ensure that he thinks very carefully before coming to his final conclusions.

Because the Government's agenda is so large, the Select Committee has decided to put together the proposals in a major stakeholder meeting to be held in the constituency of the hon. Member for Cannock Chase. I hope that the Minister will accept the invitation to attend that meeting, because we seek to bring together the 43 chief constables and other stakeholders to discuss all the issues that are before Parliament and the public. So everybody will have the opportunity to have their say and consult the stakeholders carefully before the Select Committee embarks on the four policing reports that we will undertake. We have decided not to have one big policing report, because that would take too long and we want to keep up with the Government's suggestions.

We need to engage with local communities and stakeholders, and actually ask local people what they want. Politicians can discuss structures until the cows come home, but the issue comes down to the ability of the public to pick up a telephone and call a police officer if a crime has been committed or to see a police officer on the beat. That is what policing is all about, and if the Government engage with Parliament and we do this— as far as possible—on the basis of consensus, we can make a lasting change to our policing structure.

3.48 pm

Mr Stewart Jackson (Peterborough) (Con): It is always a pleasure to follow the right hon. Member for Leicester East (Keith Vaz) who spoke with his customary expertise and erudition.

This afternoon I feel as if I have stumbled upon the Alan Johnson shadow Cabinet hustings speech. It is a shame that the shadow Home Secretary is no longer in his place, but he was performing for a very small audience—the parliamentary Labour party—which will vote in the forthcoming shadow Cabinet elections. As the hon. Member for Carshalton and Wallington (Tom Brake) said, the right hon. Gentleman demonstrated a degree of selective amnesia. On this side of the House, we will continue to make the point that the reason we have to make any fiscal reductions is the calamitous fiscal situation bequeathed to us by the Labour Government—£157,000 million of public sector debt.

What marks out the contributions from Opposition Members is an opportunistic and, frankly, intellectually dishonest approach. I specifically challenged the right hon. Gentleman about his comments on 20 April, during the election, when—as Home Secretary—he committed to a 20% reduction in the policing budget and refused to specifically rule out reductions in front-line police numbers. It ill behoves him to attack the Home Secretary for having to do what he himself would already have done.

Steve McCabe (Birmingham, Selly Oak) (Lab): Will the hon. Gentleman give way?

Mr Jackson: I will give way to the hon. Member for Birmingham, Selly Oak, not Birmingham, Hall Green.

Steve McCabe: The hon. Gentleman is very kind about my constituency. It is true that Labour set out cuts, but since then the coalition has decided to make a further £30 billion of cuts. Those cuts are not economically necessary, but ideologically driven. That is why we have a problem today.

Mr Jackson: The key point that the hon. Gentleman, for whom I have great respect, must concede is this: if we are to de facto ring-fence the police budget, it is incumbent on the Labour party to say where the cuts would occur in other areas of Government activity. Would it be social services, transport, health, education or defence? We are not receiving those answers from Her Majesty's Opposition.

The Opposition's collective amnesia, articulated by the shadow Home Secretary, is interesting. He had a bit of a mea culpa moment over the Licensing Act 2003, of which I shall say more later, and which was also a catastrophe. It has created a calamitous situation, and now huge amounts of public resources have to be spent on the consequences of an ill-thought-out piece of legislation that demonstrably increased antisocial behaviour and impacted across public services, as the shadow Home Secretary would concede.

We heard nothing about the botched mergers forced on police authorities in 2006, which led indirectly to the demise of Charles Clarke, the former right hon. Member for Norwich South. We heard no apology for that policy, which took up a lot of time and destabilised local police authorities and forces without any—let us remember this—proper, meaningful consultation with local people, elected councillors or others. So the shadow Home Secretary is gilding the lily by attacking the Government for having the temerity to put forward proposals, with checks and balances, for directly elected officials, who will be responsible for policing and crime in their local areas.

There is also selective amnesia in quoting the Audit Commission. Its most recent publication, "Sustaining Value for Money in the Police Service", stated that

"the scrutiny and challenge of spending has so far been poor. Public debate and political interest has focused more on increasing police officer numbers, with a simple equation that more is better".

On that subject, I congratulate my hon. Friend the Member for Cannock Chase (Mr Burley) on his wise words on the balance between inputs and outputs in policing and crime reduction. The Audit Commission also made a damning indictment of the previous Government's paradigm of always spending more of taxpayers' money without looking at the results:

"there is no evidence that high spending is delivering improved productivity".

It would be unkind and churlish to say that everything that the previous Labour Government did was wrong. There was consensus on many areas—my right hon. Friend the Home Secretary touched on that. Of course, we support the proposal enunciated in the December 2009 White Paper, "Protecting the Public: Supporting the Police to Succeed", on minimum service standards, gang injunctions, protecting witnesses and communities from intimidation and focusing much more on the victims of antisocial behaviour. Who could disagree with that? But that was after 13 years of judicial activism, legislative activism, more quangos, more reports and a failure to free up police so that they can deliver what they need to deliver.

Karl Turner (Kingston upon Hull East) (Lab): Would the hon. Gentleman kindly accept that between 1997 and 2010, crime fell by 43%? The coalition Government's measures put that at risk and buck that trend. The chief constable in my area is concerned about the measures about to be taken by this coalition Government—is the hon. Gentleman?

Mr Jackson: There is not a scrap of empirical or academic evidence to support the hon. Gentleman's views at the moment, although there might be in 18 months. If one asks chief constables, "Are you desperate to spend less money in your police force?", surprise, surprise, they will probably say no. It is a matter of regret that some chief constables are engaging in a political debate, when they should be thinking in more innovative ways about delivering more for the people whom they serve and not debating issues and speculating about hypotheses that are unproven.

If Labour Members were as fair-minded as I have been today—I see the wry smile on the face of the right hon. Member for Delyn (Mr Hanson); we seem to cross swords in police debates fairly regularly—they would admit that they had supported many aspects in our radical reform of policing. There will probably be mergers of small police forces based on local agreement, which the Labour party has supported, although it went about it the wrong way. However, as my right hon. Friend the Home Secretary said earlier, we cannot continue with a situation where it takes 11 and a half hours to process an arrest, and where 11 to 14% of the police are on the beat, as compared with the 22% who are processing paperwork in the police station. We have to think about the overhaul of health and safety and its impact on the working conditions and operations of police forces, and about the terms and conditions of police officer enforcement. We have to be more transparent in the way that we involve people.

I pay tribute to the sincerity of the hon. Member for Mitcham and Morden (Siobhain McDonagh), who is obviously greatly involved in her local community. However, closing the circle or completing the equation, as it were, will also mean having transparency and openness in crime data, and particularly crime figures in local areas, because whether we like it or not, people often do not believe Government crime figures. In answer to the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), the British crime survey can be criticised. It is not perfect and, in particular, it overlooks the impact of crime on young people.

We will make a commitment with our directly elected police commissioners, and there will be checks and balances in place, which is important—these are not going to "Rambo" figures. Incidentally, as the right hon. Member for Delyn knows, in my maiden speech, on 6 June 2005—he can read it in *Hansard* if he wishes and if he has nothing better to do—I called for an elected police commissioner in Peterborough and for commissioners throughout the country. I have always consistently believed in having them, not because I want "Rambo" or "RoboCop" figures, but because policing is such an important area of our national life that we must involve people. People from abroad look at us and think, "Why are they not doing it in the UK?"—direct democracy, because it matters to local people.

My right hon. Friend the Home Secretary touched on the impact of the Licensing Act 2003—1 million alcohol-related crimes in 2009-10; 47% of all violent crimes fuelled by alcohol; 6.6 million alcohol-related attendances at hospital accident and emergency; 1.2 million ambulance call-outs as a direct result of alcohol, costing £372 million; and an entire indicative cost of £8 billion to £30 billion. We all see the problem every day in our constituencies. Just this week, a senior judge in Peterborough referred to the carnage in Peterborough city centre caused by alcohol-related violence as the reason why decent, law-abiding people and families did not want to come into the city centre. The problem is not wholly the fault of the previous Government, but they did not tackle the issue as effectively and robustly as they could have done.

Let me finish by supporting the views expressed by my hon. Friend the Member for Cannock Chase and others on resources. We can deliver a better service by sharing resources, leasing premises, and using specialist support services such as management, payroll and human resources services. There is consensus on that. We also have to tackle overtime, but not with the platitudinous undertakings that the previous Government gave. As in so many other areas, we need to take tough decisions as a result of the previous Government's legacy.

Unless the Labour party moves on from the paradigm in which more tax, more spending, more quangos and fleecing the taxpayer can provide a better service, it will not deserve to be re-elected to government or to serve the people of this country. We have a responsibility now, and it falls to the coalition Government to tackle the endemic issues in the police service, so that our constituents can be protected at a cost that they can afford.

4.1 pm

Mr David Lammy (Tottenham) (Lab): I want to concentrate on those constituencies that have suffered from high crime rates over different periods of time. Those high crime rates not only affect the constituents in those areas but have big implications for the rest of the country. Without doubt, my constituency has been one such area. It is good to see in her place the Minister for Equalities, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), who also represents the borough of Haringey. She will be familiar with these issues.

Tottenham has a history of riots, and there has been deep concern recently about knife and gun crime. We have recently had some big debates about security, and many hon. Members will be familiar with the significant problems at the Finsbury Park mosque, which is on the edge of my constituency, four or five years ago. Because of the nature of multi-cultural Tottenham, the most significant criminal justice issue in the lead-up to the election of the Labour Government in 1997 was the murder of Stephen Lawrence.

I have come to the conclusion that crime largely comes from one thing and one thing alone: poverty. I am talking about poverty of ambition and aspiration; poverty relating to education; poverty of employment; poverty where communities break down; and, sometimes, poverty relating to parenting. The nature of today's debate is hugely significant for people outside this place, and the resources allocated to deal with the problems, not just within the Home Office but across government, will be hugely significant over the next few years.

I am very proud that, when we look back over the past 10 years, we can see the huge progress that has been made, despite the challenges, in my constituency and in similar constituencies across the country. Many people in constituencies such as Tottenham were acutely concerned—even suspicious, frankly—of the Metropolitan police in previous decades, but they now say that, although their experience of policing is not perfect, they have moved from seeing a police force to seeing a police service.

At the forefront of that police service has been neighbourhood policing and the police community support officers. My hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) is absolutely right to say that neighbourhood policing has made a huge difference to people's confidence in reporting crime and their ability to relate to police officers, and to our attempts to get officers on to the beat.

Alongside that sense of having a police service must be the presence of the police in the community, and that is why we have all welcomed the extra police numbers. They have been particularly manifest in the London borough of Haringey. The borough had suffered historically because it was an outer-London borough, and inner-London boroughs always had more police officers than we did. Under successive Mayors and Labour Home Secretaries, however, the outer-London boroughs benefited from more police officers. We should be very concerned indeed—and the hon. Member for Hornsey and Wood Green should also be very concerned—that the Mayor proposes to cut police numbers in London by 455 over the forthcoming period. What effect will that have on the significant issues that exist in a constituency such as mine?

When we relate this problem to the poverty of aspiration and ambition and to the issue of how we lift communities up, we must also recognise the huge amount of work done by communities, particularly on knife and gun crime. I am thinking of someone like Nims Obunge, chair of the Peace Alliance, which started in the London borough of Haringey and grew to affect much of London and now has influence in different inner-city areas across the country. It is an alliance of civil society, with people coming together to stand up and say no to violent crime—and it is having an effect. I know it is having an effect because the figures are clear. Gun crime was down by 28% in my constituency last year and knife crime down by just under 20%.

That shows the sort of effect it can have when local people take ownership and work alongside the police. What will happen to the funding for projects like that and others such as the "Value Life" project, led by young people in my constituency at the Gladesmore school? They rely on funding, which will be needed for the years ahead if the level of cuts weighed up and suggested by the Home Office come about. What will happen to the statutory services that all local authorities will have to review in this period?

We know what sort of budgets will get cut. I am particularly worried about the funding available to young people beyond school. I pay tribute to my right hon. Friend the Member for Salford and Eccles (Hazel Blears) for the work she did when she was responsible for policing. The provision of positive activities for young people, particularly during the summer period, is important, so the money we put in to support young people and ensure that they have things to do is crucial. What will happen to those funds over the coming period?

Some really significant issues of security are at stake. We should think back to those images of the Finsbury Park mosque four or five years ago. What is going to happen to the Prevent fund and to all the work that has gone into turning a mosque like that around and to support the young people and communities within it? What will it all mean for the crime statistics and for ordinary people in this country?

The Government are taking a backward step. The decision to cut the state is ideological and it will have huge consequences. The decision—failing to ensure that Home Office front-line services are protected in difficult economic times—is the wrong one, and we will all suffer as a consequence of it.

Guy Opperman (Hexham) (Con): Will the right hon. Gentleman give way?

Mr Lammy: No, I will not.

I ask the Minister for Policing and Criminal Justice to think very carefully over the coming months about these issues, which are critical for constituencies like mine. Such constituencies rely on Home Office funding. They rely on supporting, not cutting, police numbers. They rely on community policing, not the diminution of such policing. They rely particularly on supporting young people who, in the absence of proper and effective community policing, are vulnerable to being seduced by various threats.

4.10 pm

Mike Crockart (Edinburgh West) (LD): I am grateful for the opportunity to speak on a subject that is so close to my heart, as I served for eight years in the Lothian and Borders police. I am happy to follow the right hon. Member for Tottenham (Mr Lammy), who spoke with so much passion, and I agree with much of what he said. Neighbourhood policing is an aim that we share; we differ only in the way in which we seek to deliver it.

When I first expressed an interest in joining the police 25 years ago, the general reaction was, "Well, you've got the height for it", as if being tall were the defining characteristic of a good police officer. Other stereotypes also do nothing to help the debate on policing. Dixon never actually policed Dock Green, and Sam Tyler did not actually go back to 1970s Manchester. [HON. MEMBERS: "Really?"] No, he really did not.

In fact, every day police officers not only deal with crime, but fulfil the role of part-time social workers, youth workers, marriage guidance counsellors, tourist information officers, crime prevention officers, licensing officers and, yes, dog-catchers, a role that has become tragically relevant in recent weeks. All those roles are important to the general public, as they are performed by those whom the public would describe as "beat bobbies". Survey after survey shows that many people's top priority is to see more bobbies on the beat, but where is the evidence to show that that is effective? Scotland's police numbers per capita are roughly average, but it unfortunately suffers from a higher-than-average level of crime. The simplistic argument has been that if crime numbers are to be reduced, the number of police must be increased, as if a direct proportionality existed—a point ably made by my hon. Friend the Member for Cannock Chase (Mr Burley).

Toby Perkins: The hon. Gentleman is presenting an interesting theory, which I do not think I have heard before. When the Liberal Democrats spoke of putting an extra 3,000 police on the beat, was that not something to do with reducing crime?

Mike Crockart: It was a policy with which I did not necessarily always agree. I have argued long and hard—Members will not find my words in *Hansard,* but they will find them in other places—against the use of the term "bobbies on the beat" as a catch-all silver bullet that would solve every crime-related problem, because it simply will not. The problem is far more than that, as I shall explain shortly.

That simplistic argument confuses the presence of police with what should be our real aim: the absence of crime. Labour Members have argued today that a decrease in police numbers will inevitably and necessarily mean an increase in crime, but that simply does not stand up to scrutiny. Belgium has more police officers per capita than Scotland but has a higher crime rate, while Switzerland has fewer police officers but a lower crime rate. The three European countries with the lowest number of police per capita are Sweden, Norway and Finland, which could hardly be described as crime-ridden countries. According to figures published today in *The Scotsman*, the detection rate has not moved by a single percentage point in the last year despite the presence of a record number of police officers. Instead of focusing on the number of officers, we should pay more attention to how those officers are used and deployed, and how their priorities are set and monitored.

When I left the police 13 years ago, there was much talk of cutting bureaucracy, freeing up police officers' time, and using technology to enable more efficient working. Thirteen years on, however, the HMIC report that has been quoted so extensively today states that the "visibly available" police level is still, on average, only 11%—although in some forces it has fallen as low as 6%—and that as little as 13% of the time of those who are available is spent patrolling. The report also states that those police officers are still tied down by mountains of paperwork and central directives. In 2009 alone, 2,600 pages of official guidance on aspects of police work were issued, at an estimated policing cost of £2.2 billion per year. Moreover, the report states that the police are involved in dealing with any one crime on an incredible 40 occasions, from point of arrest to conviction. That does not sound like progress or efficiency to me. This then is the opportunity: not the simplistic position of some Opposition Members that if there is a problem we throw more money at it, but that we find a better, more efficient model for deploying existing resources. The involvement of local people in setting local priorities and helping to achieve them is key to this change.

I will save my views on the specific issue of police commissioners for another debate, but I believe that the direction of travel is the right one. Indeed, many police services are already moving in this direction on their own. In my home force of Lothian and Borders individual police officers are assigned to areas mirroring council wards and a divisional superintendent sits alongside council departments in partnership to set priorities. We should contrast that with the official model of priority setting: the police board for Lothian and Borders covers five council areas and the chair of that board represents only a small section of one of those authorities. How can local priority-setting come from a model like that?

West Midlands police has reorganised itself along council boundaries, and Sussex police cars are marked as "Brighton and Hove", "Eastbourne" and "Lewes", but this is still piecemeal reform and it will not deliver the savings needed or the increased localism wanted in the years to come.

We need to have proper reform to create larger, more efficient, professional police forces. That must, of course, be done by local agreement, and there must also be the ability within these forces for day-to-day operational decisions to be devolved down to a much lower level and to be made accountable through stronger and more transparent ties with local elected officials. Big police services do not have to be distant from public opinion and priorities.

In Scotland, we are already beginning to think the unthinkable: we are considering having a national police service with 32 operational divisions matching local authority boundaries, where local priorities are set in association with locally elected officials. That would be a far more efficient model that could deliver significant savings and a locally focused service as well as allow a national joined-up response to areas such as serious organised crime and national security. I hope we in Scotland will go down that route, and perhaps it is time for other Members to consider such a system for England and Wales.

4.17 pm

Hazel Blears (Salford and Eccles) (Lab): It is a pleasure to contribute to this debate addressing issues that affect every one of our communities, and it is a particular pleasure to follow the hon. Member for Edinburgh West (Mike Crockart), who gave a thoughtful analysis, particularly in respect of big organisations not necessarily having to be remote and the possibility of their being underpinned by responsive local units, which is interesting in terms of policy development.

In common with many Opposition Members, I am disappointed and frustrated by the Government's decision not to protect the funds for front-line policing. It has frequently been said today that, if Labour had won the election, we would have had to make cuts, and that is absolutely right, but the shadow Home Secretary was very clear that the cuts in the Home Office would have come from changing overtime patterns and from looking at procurement and issues such as effectiveness, productivity and efficiency, and that they certainly would not have come from neighbourhood police teams, police community support officers and all the other things every one of our constituents values. This Government need to think long and hard before cutting the number of police officers and PCSOs, who are the backbone of our police service at local level.

I want to say a few words about the Home Secretary's recent speech at Coin street, in which she declared that it is time to move beyond the antisocial behaviour order. I understand that this Government are desperate to paint everything they have inherited from Labour as unfit for purpose, but I think that in respect of ASBOs they are putting politics before people. Over the last 13 years as Member of Parliament for Salford and as Police Minister and Secretary of State for Communities and Local Government, I have seen at first hand the damage that antisocial behaviour can cause to communities, with gangs thinking that they rule their estates and are the rule of law, and with innocent and vulnerable families being intimidated and harassed. The whole quality of life of a community can be brought down by the actions of a few.

I well remember the days when the police would turn up and officers would simply say, "I'm really sorry, but there's nothing I can do. I haven't got the powers to be able to deal with these 'low-level, petty' crimes, so there's nothing I can do to help you and your family." That is exactly why we introduced ASBOs in the first place—so that they could be part of a range of tools to tackle what were becoming intolerable pressures on communities.

The Home Secretary has talked about antisocial behaviour orders being a top-down, centralised mechanism from Whitehall, but nothing could be further from the truth. The Home Office guidance actually says:

> "It is for local agencies to decide on the most appropriate intervention for tackling antisocial behaviour based on...what will work best locally."

Local agencies do use ASBOs in very different ways: the approach is sometimes very different in inner-city areas, such as my constituency, from the approach taken in some rural areas up and down the country, and that is as it should be. Local agencies, including the local council and the probation service—all those people who work together—should be asking, "What is the problem? What range of tools do we have to deal with it? Where can they most appropriately be deployed?" In some cases, that will involve acceptable behaviour contracts, exclusion orders or parenting orders. We have introduced a good set of tools to tackle these problems, so to try to pretend that ASBOs are some kind of top-down, Whitehall-imposed mechanism is simply wrong.

In Greater Manchester, extensive use has been made of these powers and the result has been very impressive; we have brought safety and security to people who felt that they had been abandoned by the police in the past. In Salford, the level of antisocial behaviour has fallen year on year; since 2006, it has reduced by 22.6%, which is a massive shift. Crime and antisocial behaviour was the biggest issue facing my constituents, but in the past couple of years more people have moved into Salford than have left, reversing a trend of the past quarter of a century. One of the fundamental reasons why people are now moving to the city is that they feel safe and secure. It is a great place to live, and businesses and families are coming to it. Without the powers on tackling antisocial behaviour, we would not have reached that point.

Of course, I would be the last person to say that those powers are a silver bullet or the complete solution, because they are not and they have their flaws. The breach rate is pretty high, but that is going to be the case because ASBOs are often used on people who are out of control, people who are prolific offenders with hundreds of incidents behind them and, as the shadow Home Secretary said, people who have reached the severe end of punishment after many other approaches have been tried. Even so, more than 40% of ASBOs are not breached—the antisocial behaviour stops. Let us also look beyond the headline figures. When action is taken after a first breach, 65% of people stop their antisocial behaviour. The figure is 86% in respect of a second breach and, provided action is taken, after three breaches nearly 95% of people say, "Okay, enough is enough, we are going to start behaving reasonably." So we have to persevere and we have to give ASBOs a chance to work. In conjunction with the range of other programmes available, including family intervention projects, which have been one of the most innovative things that we have done, bringing all the services together to tackle the underlying problems of antisocial behaviour, ASBOs have meant that we have been pretty effective.

Protecting people so that they can live in peace and safety in their communities has to be the top priority of any Government, and the Home Secretary has to live up to that challenge. If her desire to re-examine the powers on tackling antisocial behaviour is about making things easier and simpler, and about stripping out the bureaucracy, sorting out the criminal justice system and making sure that we are not mired in all of that difficulty, she will have my support in doing that. If, however, it means that we are going to water ASBOs down, diluting them, making them more difficult to obtain and putting obstacles in the way of the police and local authorities, I will oppose that tooth and nail, because our responsibility is to protect the communities that we serve.

We have heard a lot today about the further regulation of CCTV. I am none the wiser as to what "further regulation" means, but I know that CCTV, in my city and up and down the country, has made a huge difference to protecting local people. The hon. Member for Broxtowe

(Anna Soubry) confirmed that she wanted less CCTV, whereas other Members have said that they do not want that. I am not sure what the coalition view is, but this is beginning to sound like a jigsaw of policies to me and I would welcome some clarity.

In March, an incident in Eccles was caught on CCTV. Six violent males with a huge history of prolific offending were involved in a stabbing, and the information was collected on CCTV. Two of the men were seen in possession of large kitchen knives, waving them around and going into a store. A stabbing took place and no complaint was made—the person who was stabbed did not want to co-operate with the police—and the only possible evidence was from the CCTV. As a result, a prosecution was brought. They were charged with section 18 wounding, violent disorder and possession of an offensive weapon. They were sentenced to two years in prison and received ASBOs on conviction that prevent them from associating in the future. None of that would have been possible without access to the information from the CCTV.

Anna Soubry: The right hon. Lady will know that I said that I want fewer CCTV cameras. That should be the aim of everybody in this Chamber, because people should be able to walk the streets free from the fear of crime and from actual crime. That should be our ultimate aim. She makes a big mistake if she thinks that CCTV is some great panacea. In my experience as a criminal barrister, in many cases involving CCTV evidence, I have had clients who have told me that they went down that alleyway to commit the offence because there was no CCTV. The danger of CCTV is that it pushes criminality down the alleyways into other places. The real solution is to tackle the causes of crime.

Hazel Blears: Well, I wish the hon. Lady the best of British luck when she goes to her constituents and says, "We'll do nothing for years and years; we must tackle the issue of the causes of crime." Of course we must, but if she wants to stand up in front of her voters and say that she wants to see less CCTV in her community, I wish her all the luck in the world in putting forward that argument—it certainly would not wash with my constituents in Salford.

The Government's policy on DNA is an absolute mistake. The shadow Home Secretary has gone through all the detailed evidence on that and the overriding factor for me is the fact that in Scotland the Scottish police want to change to the system that we were promoting. They see that it makes sense, that it is evidence-based and that it will result in the capture of more serious murderers and rapists. Some 10% of the 800 people who were caught through DNA would have escaped under the Government's proposed system and the prospect of having 80 murderers and rapists roaming the streets of this country who could have been brought to justice is one that I would find difficult to defend.

The list goes on. Not only will we have cuts to funding, but we will have cuts to police powers on antisocial behaviour, CCTV and DNA. I want to say some words about the most serious threat that faces our communities and about counter-terrorism. What happened on 7 July brought fear to our communities and devastation to many families. I would say to the Government that there is no easy way to combat terrorism. The threat to the UK has not diminished and that is why, when we are considering the review of counter-terrorism powers, we must be extremely careful to get the balance right between security and liberty and must not be tempted to shy away from difficult and sometimes controversial choices, such as control orders, that are not easy but might be necessary to protect our citizens from harm. When the Government are considering that review, I urge them to be prepared to think very carefully about getting that balance right.

We have talked about the cuts in police numbers. I understand that in Greater Manchester that would lead to something like 300 fewer police on our streets, which would have a huge impact in our city.

My final point is about coherence. When we were in government, we did not do everything perfectly. I am sure that we did not succeed in everything that we wanted to do. However, we had a strategy to tackle every level of crime in this country, from antisocial behaviour to crimes against the person, serious and organised crime and terrorism. I do not feel that under this Government we have any kind of coherent strategy in place at all. It is about cuts, about pandering to this lobby and about caving in to this bit of populism. I genuinely feel that, if we are to protect the people of this country and to meet the highest responsibility of Government, we need a proper strategy. We will have less money, fewer powers, less effectiveness, more crime and less safety for the people whom we represent.

4.29 pm

Brandon Lewis (Great Yarmouth) (Con): I appreciate the opportunity to speak in this debate because before the general election earlier this year I gave my views in Great Yarmouth on the importance and benefits of a directly elected police commission. I appreciate the chance to speak about that today. I also want to touch on the fact that I agree with a point made by one of my hon. Friends earlier: it seems somewhat surreal, having sat through the opening speeches today, to have been part of what felt like a hustings for the shadow Cabinet.

We have listened to the way in which statistics are rolled out, which can be useful in looking at the history and in planning, but what I am interested in and what I like about the Government's policy at the moment is that it is considering how we move forward to deal with issues in the future. Policy needs to move forward with the times. It is important that we look forward and understand the situation that we are in, as some of my hon. Friends have eloquently pointed out. We have an economic inheritance that we have to deal with and, as has been acknowledged by Opposition Members and as my hon. Friends have said, even a Labour Government would have had to make substantial cuts. With the comprehensive spending review coming up, the Government are going to have to take tough decisions, but I hope that they will, as the Budget made clear, be fair and allow us to retain important front-line services.

In my time as a candidate and in my days as a relatively new Member of Parliament, I have found it enlightening to see and understand how the police work, particularly the police in Great Yarmouth. Many of us in Norfolk have long felt—I know that other Members have made this point before me—that because we are a rural community, because the county is not

[Brandon Lewis]

seen as being a high-crime area and because the police authority is small, our area has not had as much funding as it should have had. We have almost been left to our own devices and we feel left out in a way. However, we in Great Yarmouth are fortunate to have an excellent superintendent who has been considering out-of-the-box ideas about how to move forward and who has been working with the community to deal with and to prevent crime, helping to bring it down. That superintendent is still in place and is doing fantastic work.

When one looks at some of the work that is going on with community groups such as the Kickz project, which works with the police, local authorities, the local community and Norwich City football club, one sees that it is providing phenomenal opportunities to young people and is dealing with some of the antisocial behaviour. If my right hon. Friend the Minister for Policing and Criminal Justice has time in the near future, will he come to Great Yarmouth to see at first hand the phenomenal work that the Kickz project is doing, including very good work in really deprived areas? It is a very good example of how crime can be dealt with, of how the police are working with the community and of some of the things they can do. What interests me about releasing the police from some of the bureaucracy, red tape and tick-box culture that they have had is what a police team such as mine in Great Yarmouth will then be able to achieve, given what it has been doing already. I am excited about the opportunities and the benefits that will come when the team is really let loose to deliver.

When I did a night shift with police in Great Yarmouth, what really stuck in my mind was not just the plethora of paperwork that I had to sign and that they had to deal with on a daily basis for every little part of their job—one officer made a joke as an aside, but I understood his point, that there is even a form for them to fill in if they want to use the bathroom—but the most important point that they made to me, which was about the time that they have to take away from being on the beat to deal with any single issue. The example they gave was that, if someone broke a window after a night out in Great Yarmouth, to arrest them and to deal with the paperwork and telephone calls could take two officers off the beat for up to seven hours. Let us strip away that kind of bureaucracy and let the police get on with doing their job more efficiently and effectively. I fully support keeping more officers visibly on the beat, doing their job and fighting crime, which is what they want to do, what they are trained to do and what they do so well for us, rather than filling in paperwork back at the office.

I was interested to hear an Opposition Member mention the changes that are coming to the Audit Commission, particularly after yesterday's exchanges. I must make a similar point to one that I made in the Chamber yesterday: losing that input from the Audit Commission can only be good news for the police, as it is for our local authorities, because they will be able to do more about servicing their residents and keeping the streets safe if they have to worry a little less about ticking a box for an appointed quango such as the Audit Commission.

Like other hon. Members who have made this point, I like the idea of police authorities moving over to having directly elected commissioners because of the transparency that will bring and the clear signal it will send about who is responsible. In the past few years, one thing that I have found that frustrates residents is not knowing who, across Government Departments, is responsible or accountable. One thing that we have suffered from more than anything in this country is the ability of the Government simply to move accountability away, through different layers of bureaucracy, red tape, agencies, quangos and different bodies. People feel that police authorities fall into that category because they generally do not know who the chairman of their police authority is.

I am fortunate that we have a good chairman, who will no doubt love the fact that I am talking in favour of police commissioners, given that we had a disagreement about that before the general election. That person is a councillor appointed by the county council, so he has political power behind him—the appointment is effectively political. It will be a real step forward, however, if we give local communities the direct ability to say who they want. If that person does a good job, they can then be brought back but, more importantly, people will know who is responsible and accountable, and there will be no hiding behind a Government quango, an appointed county council body or any other authority. In my experience, the police understand that that will not affect their day-to-day operational power to do their job. The proposal could therefore mean that there would be little practical change to their operational work compared with the situation under the police authority. The big advantage of the proposal will be clear and transparent accountability for the public, the importance of which we should never underestimate.

When the new licensing laws came in, I was excited about having the ability to start getting to grips with the pub culture in the area that I represented as a councillor, so I was hugely disappointed when we discovered that nothing could have been further from the truth and that it was almost impossible to curtail even the opening hours of some public houses. Changing the licensing laws will allow local authorities to do what most residents think that they can do: create policy and start to map out sensible ideas on controlling licensing hours and licensed premises in their areas. That can be only a good thing, which is why I fully support the Government's proposals.

We have a major hospital in Great Yarmouth, so I have seen the impact of alcohol-related crime in an accident and emergency department. Alcohol also has knock-on effects throughout the health service, as hon. Members have said, and it can result in costs to the community and the health service directly. If our new policies can address that problem, we will make huge economic savings and communities can move forward. We could also make progress on dealing with the teenage pregnancy problem in Great Yarmouth because that is something on which alcohol clearly has a huge impact.

I look at the situation from the point of view of what my residents want. I want them not only to be safe on their streets and in their homes, but to feel safe on their streets and in their homes. If they know who is responsible for decisions about local policing and see police officers working on the street to solve crimes, rather than dealing with bureaucracy and a tick-box culture, it will be a great step forward. From spending time with the police

and seeing the extent to which their work is intelligence-based, I know that they are a huge asset to our community, so if our community is able to see more of them because they are doing less paperwork, that can only be for the better, which is why I fully support the Government's stance.

4.38 pm

Chris Evans (Islwyn) (Lab/Co-op): If local people in Islwyn and others throughout the country were to draw up a wish list, I am sure that a request for more police officers would be at the top of it. If police officers are seen on the beat, the public not only are seen to be protected, but feel protected.

It is an absolute duty of the Government to protect the public through investment in our police service and by building strong and secure communities in which the law-abiding majority are supported and the vulnerable protected. That is why I worry about the message that the Government send to the general public when they talk about cuts in police numbers. Cuts affect not only police numbers on the ground, but the organisations that have been set up to combat crime and antisocial behaviour.

In Islwyn, the Safer Caerphilly community safety partnership scheme works with local partners to reduce crime and disorder, antisocial behaviour, substance misuse and the fear of crime. I was worried when the Home Secretary said that we lived in a high-crime country because what message does that send to people who are fearful of crime? The big issue is not so much crime itself, but the fact that people are afraid of walking down the street and becoming a victim, however real or imagined the risk is.

Our partnership has improved local policing and community safety since it was set up five years ago. The scheme has been hugely successful, especially at reducing crime and antisocial behaviour. I have no doubt that such schemes were instrumental in the 43% reduction in crime between 1997 and 2010. I know that not everything was perfect under the Labour Government, but even the most sceptical or cynical person would say that that is an impressive record of which we should be proud.

The Safer Caerphilly community safety partnership faces an uncertain future because of fears about funding. Gwent police authority has made it clear to me that the planned cuts in police funding would significantly impede the police's ability to maintain the high standards for which they are renowned. Senior police officers in my constituency are adamant that if funding for the Safer Caerphilly community safety partnership scheme is pulled, the ability of local officers to keep a grip on criminal and antisocial activity and maintain community relations, which is so important, would be severely hampered.

Gwent police have already reduced their budget by 8% in the past 12 months through efficiency savings. Of their current budget, totalling some £120 million, staff costs account for 83%. Tinkering with cost outlays such as uniforms, patrol cars and everything else that goes with policing would not be enough to meet the Government's spending reduction targets. Inevitably, cuts would have to be made to police numbers. It is clear that a reduction in funding would make it operationally almost impossible for police authorities to maintain their current effectiveness in areas such as prevention of crime, civil disorder, terrorism and antisocial behaviour and the promotion of community cohesion. The question we must ask ourselves is: how will the budget deficit be tackled—surely not by risking the safety and, indeed, the lives of the law-abiding majority who play by the rules? Officers have also expressed to me their dismay at the Government's plans to scrap the policing pledge—a policy introduced in 2008 that is widely seen as having driven up standards, as well as accountability and public confidence in the police nationwide.

At the same time as the cuts, the Government are setting up a hugely expensive plan for the introduction of popularly elected police commissioners. Essentially, that will make a politician head of the police force, with the same mandate as we have. I am sure that they will follow policies that they think are popular, however short term they are and however damaging they may be. It seems nonsensical to me that, on Monday, the Government introduced a Bill that aims to reduce the number of politicians in this House, but they want to create more jobs for politicians. Police authorities around the country have condemned the proposal. Fortunately for all of us here, we live in a climate where there is little public appetite for more elections, but unless the policy is seriously thought out and Ministers put some meat on the bones of the policy this evening, we run the risk of seeing the election to key positions in public life of wholly unqualified maverick extremists whom we all know in our local areas.

Furthermore, elected police commissioners would require significant and costly staffing assistance. Such staffing is not provided for in the Government's plans. That is why I am asking for more detail. Perhaps I am being cynical, or perhaps that is an example of a lack of serious thought being given to the proposal. I am worried—the policy is truly radical, yet no information is coming down to us. It is important, not just for us as politicians, but for police authorities and superintendents, to know what elected police commissioners will do. In August, members of Gwent police authority told me that they had received no information—they do not know how the police commissioners will be established.

The Government have provided no evidence for why the reform is necessary, or why the current system is in need of change. None the less, they seem intent on carrying out a costly and untested reorganisation of policing in England and Wales. Bringing politics into day-to-day policing and law enforcement is nothing short of a dangerous move. It is my serious fear that the sensitive and emotive nature of criminal justice will, in many cases, lead to reactionary, short-term populism from a police commissioner who has his eye on his next election.

Robert Halfon: What the hon. Gentleman says is somewhat surprising to me. Surely, by his logic, any election could produce an extremist. I do not believe that the British people would vote in that way. The idea of having an elected commissioner is to ensure that there is a local person accountable to the local population that the police serve.

Chris Evans: On the question of accountability, the point that I am driving at is that we will be electing a politician, and I envisage—indeed, I am sure—that only political parties will be able to fund a campaign for the

[Chris Evans]

post of police commissioner. I cannot see an ordinary person from the community having the money or the resources to become a police commissioner, so the measure will only introduce politics into policing.

That point brings me on to another, because we could see a situation in which certain groups spread fear about others for the simple purpose of electoral advantage. Young people might be demonised, as they are all the time in the press, and that has no place in modern society, so I urge the Government to look again at the proposal and give it some serious consideration.

I have tried to be brief, and in closing I must say that people want to feel safe. They want to know that, should they become a victim of crime, they can look to the police to protect them, so I say to the Government, do not risk the safety of the public by introducing such swingeing cuts.

4.46 pm

Graham Evans (Weaver Vale) (Con): I have spent a lot of time in my constituency since being elected three or four months ago, and during the recess I managed to meet and have a good discussion with two chief constables. Indeed, I am very lucky to have two very good chief constables residing in my constituency. We have some tough times ahead, as they know, but they struck me as two powerful individuals who know where they can make a difference in their forces.

We will have to make cuts of 20%, but the two chief constables struck me as business people who realise that times are bad. This is not the first time that we have been in this position, and those cuts have to be made. Some 85% of the police budget goes on people, so there will inevitably be a reduction in numbers, but just because there is going to be a reduction in police numbers and in recruitment, that does not necessarily mean that crime will go up. They went through in detail how they were planning and hoping to limit the effect on front-line policing.

Toby Perkins: I am fascinated by the hon. Gentleman's conversation, because I am sure that many Members have met their local chief constables. He mentioned that they would be able to limit the effect of the reductions that we will have to make, but did they explain what they would have to do? Will the hon. Gentleman touch on what they said they would no longer be able to do? I am interested to hear that they did at least admit that the cuts would affect the service that they are going to provide.

Graham Evans: I thank the hon. Gentleman for that intervention. They went on to talk about backroom staff and how they can reduce significant labour costs among the back office, civilian staff whom the police employ. They also discussed putting back on to the beat those policemen who, for whatever reason, undertake back-office duties.

Unnecessary paperwork also keeps front-line police officers in the station, and the two chief constables talked about ways of reducing it, as the House has discussed over the past few hours, and ensuring that officers return to front-line services. I do not try to paint a pretty picture, however, because there are some difficult decisions to make. Those chief constables have to make them, but they are going to do their utmost to ensure that front-line services are not affected.

I come from a business background and have personal experience of trying to cut costs while adding value and ensuring that, at the front end, customers do not see the consequences of those cuts. The police are in a very good position to do something similar. Time will tell, but I hope that it bears out my belief that the situation is not as gloomy as some people say it is. However, there are some difficult decisions to make.

Having spent some time with the two chief constables, I visited Runcorn police station, where a new inspector was in town. He told me that he was bringing a new broom out of the cupboard and going through the police station. He had managed to increase the clear-up rate in that area by 20% within a few short weeks. I asked him what sorts of things he did to enable him to achieve that, and he said that he had found that there was misinterpretation of correct procedures and of who are the best people to clear up the casework. I was struck by the fact that there are examples of best practice that can be shared between divisions and, indeed, police forces. Many police forces do not communicate with one another. If cases of best practice were communicated between one constabulary and another, efficiency savings could be made.

A lot of it can be down to leadership and management. A sergeant in Runcorn who had been in the Cheshire constabulary for 25 years told me that he had spent most of his career arresting members of the same family. I found it quite disturbing that one could spend a 25-year career arresting the grandfathers and fathers of the same family. I cannot help feeling that we do not go to the core of the problem of continuous crime. Antisocial behaviour orders have a lot of merit. However, unless we get in to see the families who have blighted the community of the right hon. Member for Salford and Eccles (Hazel Blears), and so many communities in my constituency, and stop them repeating these crimes, it goes on and on, with three generations of the same family being unemployed, facing social deprivation, and causing unnecessary and disproportionate problems within their communities. If we could get into these families, one by one, their communities would not have these problems.

Neil Carmichael (Stroud) (Con): Of course we must keep our eye on the public sector deficit, but I hope that my hon. Friend will join me in celebrating the fact that the Gloucestershire constabulary will end up with more policemen out and about as a result of reforms driven by the recent expenditure announcements. That is good news for the good people of Stroud, Dursley, Cam and elsewhere. There are more policemen out and about compared with last year, which is great news.

Graham Evans: I am grateful for my hon. Friend's contribution.

If we keep on arresting and dealing with the same families within the same communities, we will keep on going round in circles and having these conversations time and again in years to come.

I pay tribute to some of the good work that was done by right hon. and hon. Members on the Opposition Benches during their time in government, with measures

such as Sure Start, which gets into families at a very early stage to try to give them the best start in life, so that as the children grow older they should become responsible citizens. In my experience as a police officer, and when speaking to the police officers in the Cheshire constabulary, I have found that too many young people go off the rails too soon. That is why I would like some of the good work of Sure Start to be followed up. Other agencies, working with the police, need to get involved in getting individuals off drug and alcohol abuse. Jobcentre Plus should get involved with these people to try to get them making a proactive and genuine contribution to the communities that they have blighted. I appreciate that this is a long-term thing that was started by the previous Government during the past 13 years, but an awful lot of work still needs to be done in certain communities in my constituency.

I will be supporting the amendment, because something has to change. Directly elected commissioners may or may not be a good idea that may or may not work. In my experience as a police constable, having worked in these communities, I have seen that the Cheshire constabulary is doing a good job, but I believe it could do better, and I would like directly elected commissioners to be given at least a fighting chance.

4.54 pm

Caroline Flint (Don Valley) (Lab): I open by saying that I agreed with much of the contribution of the hon. Member for Weaver Vale (Graham Evans). It is interesting that both he and the hon. Member for Great Yarmouth (Brandon Lewis) talked about good practice being carried out by police officers in their communities. On that basis, it is clear that the Labour Government have not totally prevented good practice over the past 13 years.

As my right hon. Friend the Member for Salford and Eccles (Hazel Blears) and other colleagues have said, we would never say that everything is perfect. There will never be a perfect way to tackle crime, as my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman) said. However, when it comes to challenging crime and antisocial behaviour in our communities, the cup is half full, if not even more. There has been a change in attitudes towards law and order over a number of years.

I welcome the examples of best practice that have been given, and they have occurred partly because of the direction that the Labour Government provided. We were more focused on community policing and on the police working with other organisations, whether they are local authorities or, as the hon. Member for Great Yarmouth said, football clubs. In making important changes, we recognised that tackling crime and disorder in our communities could not be the preserve of police officers alone.

As a former Home Office Minister, I feel frustrated about the challenge of making best practice more mainstream. I was interested when I listened to my hon. Friend the Member for Islwyn (Chris Evans), because as a Home Office Minister back in 2003 I visited Wales. That was some years ago now, but I saw there examples of the type of community and neighbourhood policing that we have thankfully seen in England in recent years. There was an attitude and approach in parts of Wales that was not being picked up elsewhere at the time. Although I have the greatest regard for many people from the Association of Chief Police Officers whom I have met over the years, I believe that it has failed as an organisation to see best practice and say, "This is what we should have more of."

I link that point to one about accountability. I would not like Government Members to characterise Labour Members who are passionate about tackling crime in our communities as being anti-accountability, or as believing that the current structure of police authorities is perfect. I have said in previous contributions that I am not a cheerleader for the idea that everything is absolutely great.

If we are to talk about the big society, we need to consider how we can give our communities information about best practice so that they have the power to demand more of it. A bogus argument is sometimes made that communities are somehow so different from each other that nothing can be learned. I do not believe that, and I do not believe in reinventing the wheel. Communities should look to other areas to see what has worked and what has not. Yes, they should make the service bespoke for their area if they need to, but for goodness' sake, they should seize best practice with both hands. If they want to rebrand it, they can get on with doing so, but they should not be so paternalistic and parochial about their own patch that they cannot see the wood for the trees.

I hope that in our discussions in the months ahead about the accountability of the proposed elected commissioners, we will think beyond simply what such a commissioner can do and consider how to ensure that there is accountability, because chief constables also have to be held to account. I attended a lunch a few months ago, before the recess, at which Sir Paul Stephenson spoke. What he said about a number of issues was interesting, and I was intrigued by what he was prepared to admit. When it comes to bureaucracy—I put my hand up and admit that those in government can always do more about it—he said that too often, he had seen his colleagues at the most senior level add layers of bureaucracy over and above what the Government were asking.

The hon. Member for Great Yarmouth, who has now left the Chamber, talked about officers having to fill out a form to use the bathroom, but I can say with pretty much 100% certainty that that was not a diktat from central Government, even if it somehow emerged in his police force. Although we must consider Government bureaucracy, we must also examine ways in which the forces themselves create bureaucracy. That is clear in procurement, with forces being parochial about having their own design of car or uniform that is different from those elsewhere. I wish the coalition Government the best of luck in dealing with that, because it is not easy. There are incredibly strong vested interests in all areas of public policy, including crime and law and order.

I might be out of sync with my Opposition Front Benchers on this, but whatever went wrong, it was a shame that the previous Government did not get to a better place on creating larger police forces. I absolutely agree with the hon. Member for Edinburgh West (Mike Crockart), who talked about a larger force for Scotland while at the same time having local units based on local authority boundaries. I sign up to that. In the last policing debate in which I spoke, I said that people in Doncaster are more interested in what Bob Sanderson

[Caroline Flint]

is doing—he runs our local police—than in what the chief constable is up to down in Sheffield. The local police force is what counts.

On accountability and neighbourhood policing, I am pleased to report from my experience in Doncaster that although the monthly meetings between the police and members of the community—councillors are also often involved—on how neighbourhood policing teams can best focus on what people are most concerned about had a bit of a rocky start, I am now getting feedback from the police, the public, councillors and those working for local authorities that they are starting to gel and to work. Those meetings are an important part of local accountability, and they are important in ensuring that the police and agencies who work with them understand local policing concerns.

We have heard much discussion of police officers. Departments and outside agencies will face cuts not of 20%, but of anything between 25 and 40% cuts, and we know that 70% of the police budget is spent on paying officers' wages, so it is impossible that there will not be substantial cuts in police numbers, which I am very concerned about. The Government's solution—or part of it—is that we should recruit 50,000 additional special constables. I do not know where that figure comes from, but there are currently 15,000 special constables, so expecting an additional 50,000 volunteers is ambitious. The Government also expect those unpaid, part-time volunteers to replace full-time, professional police officers. I worry about that. Special constables make a great contribution, but they are not a substitute. For one thing, they have only to work for a minimum of 16 hours a month, but for another, they must fit their police hours around paid employment and family life. They cannot be required to turn up for work at particular times or on particular days as part of an organised strategy to bear down on the different sorts of crimes that are committed in our neighbourhoods. The truth is that chief constables cannot plan their forces around volunteers.

I agree with my colleagues about CCTV evidence and the DNA database. I am very worried about those tools being undermined, which will undermine police officers' ability to do their jobs.

Although this is a Home Office debate, we need to touch on penal policy, responsibility for which has been split off to the Ministry of Justice, because punishing crime is an important part of effective policing and dealing with crime in our communities. It is a complicated matter. Prison has many functions, of which rehabilitation is one, but that has not always been carried out as effectively as it ought to have been. However, prison also protects the public from serial and dangerous offenders. We have only to ask police officers to find out about the respite that a community can get if, say, a serial burglar who has committed 40 crimes in a few months is put in prison after everything else has been tried.

We should have an informed debate on policing—it is too important for a back-and-forth debate. I believe that we last had a commission look at the role of the police in 1962, so perhaps it is time to think about another commission. The debate is about more than the deficit; it is about creating a 21st-century police force.

5.4 pm

Anna Soubry (Broxtowe) (Con): It is a pleasure to follow the right hon. Member for Don Valley (Caroline Flint) and if I may return a compliment that she was good enough to pay to me before the recess, I hope that it is not too long before she makes the journey down from where she sits today on to the Front Bench. It would be stupid for me to stand here as a criminal barrister of 16 years standing and say that nothing was achieved by the last Administration in 13 years. Many of the things that were done were different, new and effective. But between the two sides of the House, there are some fundamental differences of approach that stem from a difference in the philosophies that drive us to our political parties.

Those differences were exemplified for me by the speech by the right hon. Member for Tottenham (Mr Lammy). He said, with some pride, that under the last Government we had established a police service as opposed to a police force. I could not disagree more with that policy and all that was done to achieve it. It has been hugely harmful not only to the police, but to our society, that we now have police officers who are confused about their role. They should be a police force—a presence on our streets—and not part of social services. In some instances, yes, some officers work beautifully and properly with, for example, youth offending teams, and add something to the process. However, as any parent knows, what stops children from doing something that they should not do is not the fear of what might happen to them if they are caught out, but the fear of being caught out. If people do not think that they will ever be caught, they will carry on doing what they should not do. That is why I want to see some fundamental changes in our police force.

I want the police force to be a police force and a presence. They are public servants, paid for by the public and accountable to the public, but I want them to be on the streets making their presence and their force known.

Mr Lammy: I respect the manner in which the hon. Lady makes her remarks, but will she acknowledge that my remarks were particular to certain communities and incidents? She will be well aware of the various inquiries and reports that established that the black community in particular was some way from experiencing a police service.

Anna Soubry: I agree with the right hon. Gentleman and, in due course, I will touch on my hopes for a much improved police force.

As a criminal barrister, I could speak for ever about this subject, but the clock is against me. I am pleased that one of the first things that the coalition did, to enable our police officers to get on and do the job that they want to do, was to allow our custody sergeants to charge some minor offences. I would like custody sergeants to revert to having the decision about charge on all matters, working in co-operation with the Crown Prosecution Service. They should take the responsibility that they always used to have for the charges that the accused should face. Changes can always be made as more evidence is gathered and leading counsel and other counsel can also play their part.

We all want to see less form filling and bureaucracy. Opposition Members have to accept that for ordinary police officers—whom many of us have dealt with on almost a daily basis in our working lives—that is a true and real frustration. It holds them back from doing the job that they want to do. We have to restore and build confidence, not just in some of the communities to which the right hon. Member for Tottenham referred, but across Britain. We have to restore the confidence of the public in our police. How many times have Members gone along to a residents' meeting, or knocked on a door while canvassing, and someone says, "You know what, there's a real problem with kids hanging around outside the Co-op"? It is called antisocial behaviour, but it is actually often low-level criminality. One hears that complaint and asks, "Well, have you rung up and complained about it?", but then one hears the riposte, "Well, what's the point? The police never come out, and if they do come out, they won't do anything about it, and if they do do anything about, it won't get to court." And so it goes on. We have to break that cycle, and that sort of work has to start now. By reducing the form-filling and bureaucracy, we will begin at least to make our police more efficient. However, we have to stop this idea that there is no point in contacting our police because they do not have the time or will to do the job.

When it comes to the police and what they give back, I want to see some big changes in how they think and operate. When police officers commit offences, whether like the assault on Ian Tomlinson that lead to his death or like the case in which a police officer recently received a custodial sentence of six months, I want police officers prosecuted fairly, vigorously and swiftly, just like anybody else. There should be no bounds, and the police must be prosecuted properly.

I also want police officers to be prosecuted when they give perjured evidence in court—*[Interruption.]* I see hon. Members nodding. I know of the work of the hon. Member for Kingston upon Hull East (Karl Turner). Like many in the criminal justice system, we have sat in court and heard officers on oath tell lies. That has happened, and we know of it. We also know that they have never been brought to book. That has to change. There is a duty on the Crown Prosecution Service, judges, counsels and solicitors to make those complaints and for them to be taken up, if we are to restore confidence in our police service.

When police officers fail to do their job—I suspect there might be a few more nods of agreement from hon. Members—when they fail to disclose material, as they are statutorily obliged to do, when they fail to seize the CCTV or, if they have seized it, to view it rather than destroy it, or when they fail to disclose it to the defence or put it on to the schedule of material to be disclosed to the defence, those are important matters that should not be left to rest, but must be taken up by the police and acted on in order to restore confidence in our police.

I do not want to sound overly critical of the police, because I have real sympathy for many police officers. In my previous work, I dealt with them on almost a daily basis.

Graham Evans: New police officers have a two-year probation period, during which they have to prove themselves to be hard-working, conscientious individuals, and if they get things wrong or do not work hard enough, they can be asked or forced to leave the force. However, after that two-year probation, it is very difficult to remove police constables from the police force, so some police officers can—how shall I put this?—work less hard than others. Does my hon. Friend have a view on that?

Anna Soubry: Absolutely. That concerns me. I had a case in my constituency involving somebody whom I thought had been wrongly removed from the police force. He quite rightly said to me—indeed, I knew from my own experience—that many officers had done far worse than him, in my opinion and, more importantly, the opinion of others, but had retained their jobs.

I am concerned about the training of police officers. Why are all police officers not at least taught keyboard skills? Those of us involved in the criminal justice system know that it still takes two police officers to take a section 9 statement. In this day and age, that is bonkers. There must be a better way. Think of how many police hours would be spent back on the streets or doing other work if it did not take two police officers, in most instances, to take a written statement. There must be better ways of doing that.

I am concerned that so many cases are no longer investigated by an officer of the right rank. I was involved in a prosecution case—unusually, because I did not prosecute much—involving a section 20, grievous bodily harm offence. The investigating officer was a police constable who had only come out of his training two years before. I have defended people accused of rape where the investigating officer was a detective constable. I know I sound the age I undoubtedly am, but in my day—many others would say this—a detective inspector always investigated the offence of rape. No disrespect to the many detective constables I know, but what happened in those cases was quite wrong. Rape is a serious offence and it requires a senior officer to investigate it. I am concerned that serious offences such as section 20s are no longer being investigated by properly trained detectives, but by the uniform branch, to use that term. I am far from convinced that things are being properly investigated; in other words, that justice is being done to everybody—victims and those accused.

Let me turn briefly to what underlies this debate, which is the cuts. It is disingenuous of Labour Members not to face up to the reality of their legacy and the situation that we have been left with. Even if they had won back in May, they know in their hearts that they, too, would be faced with a deficit and would have had to make the sort of decisions that the coalition is now making. That would mean chief constables being placed in a position, as they all are, of having to make serious and long-term cuts in their budgets. I have been to see my chief constable. She has spoken to me frankly and we have discussed the situation. I have no doubt that one of the consequences in my county will be a reduction in police stations. That does not please me, but a clever, thoughtful and resourceful chief constable will use this situation as an opportunity to say, "How can we improve the service that we give to people? How do we become a better police force in this county? In facing these cutbacks in our budget, we could actually be brave and radical in how we operate."

I know that the clock is against me, but I have to respond to what has been said about CCTV cameras and to bundle in something about ASBOs. I have no

[Anna Soubry]

difficulty with the concept of ASBOs, but I support much of what my hon. Friend the Member for South Swindon (Mr Buckland) said. They have been used effectively, like CCTV, as a sort of sticking plaster. Let me refer hon. Members briefly to a case that I have in Stapleford, a town in my constituency. We have a problem with antisocial behaviour, and there are those who, if I may say so, do not really think outside the box who say, "Put a CCTV camera up. It'll solve the problem." However, it will not, because the trees are overgrown, and even if there were a camera, it would not catch the street. However, the real point is that a CCTV camera will only move the problem on. The real solution, especially to so much youth offending, is to do what we have said we will do, which is look at the causes of crime and begin to tackle the social problems that have led to this increase in criminality.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Before I call the next speaker, I will extend the amount of time for speeches to 13 minutes.

5.18 pm

Toby Perkins (Chesterfield) (Lab): Thank you, Mr Deputy Speaker. I would be happy to let the hon. Member for Broxtowe (Anna Soubry) intervene for three minutes if she feels that she has been robbed.

It is a pleasure to follow the hon. Lady's thoughtful speech. She is right to say that there is a difference in analysis, but none the less, she brings her experience to bear and it was a pleasure to hear it. However, after listening to her speech and many of the other contributions that we have heard, I also felt that there was a bit missing. She says that she has spoken to her chief constable and she is in no doubt that there will be fewer police stations, but with the cuts that we are talking about, the reality is that we will have fewer police officers. Some 80% of the police budget goes on people. We will not save that money simply by shutting a few buildings down. When she says that an excellent chief constable will look at the current situation and create a better service with less money, she is indulging in a myth. It is really unfair to the people in our communities, who rely on the Government and the police to keep them safe, to continue to allow them to believe that the police will be able continually to achieve more with less.

When the hon. Lady says that Labour would have had to face the same choices, she is not quite telling the truth, because the Conservatives have chosen to double the speed with which the deficit is paid off. Now that they have made that decision, we will have extra cuts. The shadow Home Secretary made it absolutely clear that there would have been cuts; he listed some of them for the second time, for the benefit of the Home Secretary, who had missed them the first time round. He was quite specific about them.

We also put in our manifesto that front-line policing would be protected, and that is key. A Government's first duty must be to do all that they can to keep their citizens safe, and that is a duty that Labour understood well. It was demonstrated by the 17,000 extra police officers—compared with 1997—who are now patrolling Britain's streets, 350 or so of them in Derbyshire, and by the 16,000 police community support officers introduced by Labour. The PCSOs have moved from being scorned by the press to being greatly valued by the public, who can see the contribution that they are making. As the Minister for Policing and Criminal Justice admitted yesterday, the Labour Government were the first in history to preside over a consistent reduction in crime.

In addition to fighting serious crime and tackling the new threats of more complicated terrorist networks, more sophisticated paedophile rings and increasingly complex international drug and crime cartels, the Labour Government also gave the police far more significant powers to reduce antisocial behaviour than ever before. It was interesting to hear the Home Secretary claim that one of the problems was that the police had too many different powers. She implied that they were like joiners with too many tools, standing by a wall unsure which hammer to use, and that the extra powers at their disposal were somehow slowing them down and preventing them from getting on with policing. That was a rather strange thing to say.

The antisocial behaviour powers gave the police the ability to deal in a different and more effective way with the low-level antisocial element that exists in every constituency in the country. The Home Secretary showed us a window into her mind earlier, when she said that there was an increased perception of antisocial behaviour in poorer communities. Was she suggesting that, in regard to antisocial behaviour, the only difference between a poor community and a wealthy one was that poor people felt as though they were suffering as a result of it, and that if the millionaires took the trouble to look out of their castles, they would see all the terrible things going on outside the castle walls? Her reference to the perception of antisocial behaviour was quite revealing about her mindset and her view of the job that she has come into.

Like me, the police I have spoken to were staggered by the Home Secretary's decision to abandon the antisocial behaviour order powers. They say that those powers have done much to help them to work with community groups, with tenants and residents associations, and with local councils to clean up the streets. It seems incredible that the Government should choose to strip the police of a power that is clearly working, at a time when all parties are concerned about reoffending rates. About 65% of recipients of an ASBO did not reoffend, and 93% desisted after their third one.

We have also heard a lot of talk about the effect on communities of antisocial behaviour orders. My right hon. Friend the Member for Tottenham (Mr Lammy) spoke of the situation in his community. Chesterfield has a different environment, but our antisocial behaviour problems also lead on to low-level crime and, if those problems are not tackled at an early age, people can go on to become serial offenders who will be found guilty of much more serious crimes. I know that that is the experience of Members on both sides of the House. People have been driven out of their homes by vandalism to their car, for example. Every morning, when they come out to go to work, they do not know whether their tyres will have been let down or their wing mirrors smashed, or whether a big scratch will have appeared on the bonnet. Those might be considered lower-level crimes, but if they are not dealt with, the perpetrators will

decide that they are above the law and one thing will lead to another and their crimes will become more and more serious.

We need real honesty in this debate about what we expect from the police. My right hon. Friend the Member for Don Valley (Caroline Flint) made the important point that we now have an opportunity to reconsider the role of the police and decide what we want them to do. With the level of the cuts that are coming, the role we expect of the police is going to change drastically. There is no point anyone pretending otherwise.

The Home Secretary said that she wants to strip all the targets away so that the police have just one basic target—to cut crime. That fails to acknowledge the many different aspects of police work where no crime has been committed. If we see a man on a bridge who looks as if he is going to throw himself down on to the motorway, we are going to call the police—but no crime has been committed; it is just a man stood on a bridge. I would like to think that the police of the future would still turn up at such an incident. If not, we would be living in a very strange world.

When I was out with the police, they explained to me another problem they have with the mental health wing of a local hospital. There is a secure unit there and patients from it are sometimes given a pass to go out. The pass might be for three, four or 24 hours. At 23 hours and 59 minutes, there is no problem, but at 24 hours and a minute, the police are called out to find a missing person. Again, no crime has been committed, but the police are called.

We need to be sensible in this debate about what to expect from the police. I would certainly like to think that all Labour Members would join me in assisting the Police Minister in fighting his corner to get recognition for the message he wants to send out about what we want the police to do. Road traffic accidents provide another example. A huge amount of police time is taken up attending them, but no crime has been committed in most cases. If the responsibility of the police is only to stop crime, they might stop going out to road traffic accidents. Again, this shows the simplicity of the message; it might be attractive to the readers of tabloid newspapers, but it does not reflect the complexity or reality of what the police do. I am not advocating that the police should not turn up to road traffic accidents or should not turn up when a man is about to commit suicide by jumping off a bridge. What I am saying is that if we take the Home Secretary at her word, we need to think about the sort of service that we will end up with.

Mr Buckland: The hon. Gentleman, in making his point attractively, risks missing the point of the scenarios he has described. I can think of a number of crimes that might have been or could be committed in the circumstances he describes, particularly in the case of road traffic accidents—starting with dangerous driving, to name but one. Frankly, he is not making a good point; if he has any better ones, I would like to hear them.

Toby Perkins: I would have thought that the hon. Gentleman could understand the basic point I am making—that the police do a hell of a lot of work that does not actually involve cutting crime. I simply gave a number of examples.

We also need to look at what some of the backroom people do in the police service. I would not pretend that if we spoke to 100 police officers, none of them would complain about bureaucracy. I have spoken to senior police officers and I know that they do complain about it. Equally, however, I have not met a single police officer who believes that 25% cuts to the budget can be made by cutting the forms. That is not realistic. Much bureaucracy falls outside the Home Office remit and, as some of my hon. Friends said earlier, much of police bureaucracy arises from the Crown Prosecution Service. The CPS requires such high evidential standards before it will take cases to court that the police have to provide a tremendous amount of evidence to back the service up. A lot of it takes up time. If we are going to remove such bureaucracy, we will have to accept that the police are likely to achieve fewer prosecutions. The CPS might have to take more cases to court, but that might increase the justice budget, so we would be saving on the one hand and losing out on the other.

My hon. Friends have also referred to other back-office functions—the massive amount of work done on counter-terrorism, for example, or on breaking international drug rings and international crime syndicates. The police also have people whose work is dedicated to the reduction of domestic violence. What often happens there is that the police put in a great deal of work to get the evidence together to achieve a prosecution, only to find that the victim of the violence has subsequently patched up the relationship and decided not to prosecute. The police have specialist teams dealing with child sex abuse. Such people may not be considered to be front-line police officers, but I should like to think that in any civilised society they would continue to work in the police force, and I believe that the narrowness of the new police target will be counterproductive. Far from being a Whitehall diktat, the policing pledge was put together by senior police officers who wanted to specify the standards of policing that people could expect wherever they lived.

I referred earlier to Liberal Democrats' contribution to the policing policies pursued by the present Government. People ask what the Liberal Democrats are doing, but in this context their influence is clear, whether it involves their wish to get rid of ASBOs, their opposition to the DNA database—without which, as we have heard, 26 more murderers would be out on the streets—or their justice proposals, which mean that yobbos and criminals would not go to prison, but would be out on the streets as well. It is hardly surprising that someone who was on the run decided that it was well worth supporting the Liberal Democrat party financially: he may have felt that there was some benefit in doing so.

I wonder what happened to the Conservative party. I suspect that Lord Tebbit is turning in his crypt at the current Tory policies. The Tories seem not to understand, as he did, how poorer communities and people in deprived areas have been badly affected by crime. The Government are showing a lack of honesty about what will be faced by people on the streets if cuts of this magnitude are made, and a lack of awareness of what it is like to live in a deprived community that is under pressure from criminals. They do not seem to understand what it is like for people to wake up not knowing whether their properties will be left alone that day, or to go on holiday not knowing whether their properties will be broken into.

[Toby Perkins]

The current lack of vision about the best way in which to spend police resources leaves our police force, our communities and the value of a law-abiding, decent society dangerously exposed. I urge the Government to think again before pulling the rug from under the feet of our police.

5.32 pm

Robert Halfon (Harlow) (Con): I congratulate the hon. Member for Chesterfield (Toby Perkins) on what was, as always, a sometimes political but nevertheless thoughtful contribution.

The debate has focused on a number of issues, notably accountability and cuts, but I want to talk about the situation in my constituency. I want to talk about what has gone wrong, the cost of crime and some of the solutions. I accept that great strides have been made in fighting antisocial behaviour, and that major reforms and successes have been achieved in Harlow. Recent operations have succeeded in targeting the few prolific offenders who cause the majority of the problems. Nevertheless, the town still suffers from the highest violent crime rate in Essex and from a high rate of burglaries and car thefts, and in terms of crime and disorder, some of its estates suffer from the worst 10% of deprivation in the British Isles. We also have serious problems in specific areas such as the town centre.

Although crime in those areas is not always reported to the police, I find—like other Members—that local residents often contact me about it, and mention it to me frequently in surgeries. That is why I consider this debate to be so important. We have some very effective police officers in Harlow and some good leadership in Essex, but I believe that in the wider United Kingdom there has been a breach of trust between the police and the public. The umbilical cord has been cut. Raymond Chandler, the American novelist, said:

"Crime isn't a disease, it's a symptom."

It has already been said that Tony Blair promised to be tough on the causes of crime, but the last Government approached prevention in a chaotic way. For example, sadly, they rewarded family breakdown by penalising couples in the welfare system, and they also failed to ban the sale of alcohol below cost price.

We see this elsewhere, too. There has been much comment in the debate about closed circuit television. I am in favour of it when it cuts crime, but the Under-Secretary, my hon. Friend the Member for Old Bexley and Sidcup (James Brokenshire), came with me a few years ago to visit a company in Harlow called Rotatest which trains people in how to use CCTV. It has shown, through using Home Office studies, that about 80 or 90% of CCTV in this country is not fit for purpose either because it does not comply with the Data Protection Act 1998 or it is not operated properly or the machinery is not working properly. In 2006 alone we spent about £250 million on CCTV that was not working in the way that it should.

Only a couple of years ago, the deputy chief inspector of the Met, Mick Neville, said the system was an "utter fiasco", with only 3% of London's street robberies being solved using security cameras. Although Britain now has more cameras than any other European country, he said that "no thought" had gone into how to use them. We must have CCTV, of course, but I would like us to prevent more crime so that we need fewer CCTVs. It is not that we do not want CCTV; rather, we want to prevent crime so it is not needed in the first place.

Another problem is the micro-managed target culture of the previous Government and the bureaucracy, in part driven by the right hon. Member for South Shields (David Miliband) when he was head of Tony Blair's policy unit. The Opposition talk about cuts, but three years ago when they were in government they established a National Crime Reduction Board and then gave it no budget. They talk about cuts, but for all their spending they left England and Wales with double the crime rate of the European average. The Home Secretary said earlier that there were about 900,000 violent offences in 2009. The House of Commons Library has shown that that rose from 618,417 such offences in 1998, so there has been a huge rise in violent crime.

The Government's reforms are urgently needed for Harlow, because there is not just the social cost of families blighted by crime, but there is also the huge cash cost, which is hurting the recovery. Labour Members have talked about cuts and expenditure, but they must accept that their policies led to crime now costing more than £3,000 for every family in the UK each year. Given that there are about 40,000 family households in my constituency, the cost to Harlow could be in the order of £120 million a year.

During the election campaign, my right hon. Friend the Minister for Policing and Criminal Justice visited with me a newsagent in Nazeing village that had been robbed three times in three weeks. This shop was just one of many whose profits were suffering because of crime. When we legally oblige police constables to spend 50% of their time on paperwork, we deny people the power to shape local policing and this is the sad result.

What are the answers? First, I would like to congratulate chief superintendent Mr Simon Williams and chief constable Mr Jim Barker-McCardle, as despite the challenging economic situation they have no plans to cut the number of front-line police officers in Harlow and intend to keep the police station in Harlow open for 24 hours a day. They are demonstrating that a smarter public sector can deliver more for less, even when it spends 80% of its budget on people. Earlier this year, before we entered government, Essex police had to cut £2.5 million from its budget, and it did so without any effect on front-line services.

We must also restore the trust between the wider public and the police, and the umbilical cord between them. That is why I am a passionate advocate of the Government's policies to reconnect the police with the communities that they serve, which include having the direct election of a police commissioner. I cannot understand the opposition of Labour Members to making the police more accountable to the communities that they serve. We also propose reducing police paperwork and bureaucracy, so that constables can spend more time on the streets; introducing regular beat meetings, so that residents can hold the local police to account; and publishing more detailed local crime statistics.

We also propose to have more specials, and it is tragic that their number has declined by 6,000 since 1997. I completely disagree with the comments made by the right hon. Member for Don Valley (Caroline Flint) about specials. There is scope for greater community

involvement in policing. For example, Essex has one of the largest forces of specials in England. In early-day motion 520, I welcomed the statement made by my right hon. Friend the Minister for Policing and Criminal Justice that there is a "huge untapped potential" for recruiting more specials, and I suggested transforming them into a Territorial Army-type force. That would enable specials to cover more policing duties and would offer excellent value for money. Specials are also a genuinely local force and a valuable source of community intelligence.

I am not asking for extra money, but rather for the Government to refocus their resources to incentivise special constables, so that they can work more hours and develop professionally. Following many tragic fatalities on the railways near Harlow, I have called, including in my early-day motion 598, for a similar volunteer force of special rail guards to be established to improve safety on train platforms. In a time of scarce resources, special constables offer a big society answer to the crime problems we face, not only in Harlow, but across the country. I am talking about having fully trained constables with real powers who give a few hours a week to their local neighbourhood. We already have 600 in Essex, and let us hope we have more soon.

Guy Opperman: Does my hon. Friend agree that there is scope to widen the training and opportunities available to the existing special constables, so that they can carry out alternative tasks on a more big society basis?

Robert Halfon: Yes, entirely, and I would like community support officers to have the chance to become specials.

To sum up, our crime policy must move away from that of the previous Government, which was about bureaucracy and the big state.

Karl Turner: I might be wrong, but the hon. Gentleman seems to be suggesting that police offers go from being paid to being unpaid. Is that the case?

Robert Halfon: I am saying completely the opposite. I am saying that for the special constables we should create a model similar to that of the Territorial Army. We should have a special constable force and its officers would be paid for the hours that they do, in the same way as TA people are paid.

In summary, I think that we want to move away from the big state and bureaucratic policies on crime to an approach based on accountability and community. That is why I oppose the Opposition's motion.

5.44 pm

Steve McCabe (Birmingham, Selly Oak) (Lab): I am in favour of volunteers, but not as a substitute for the real thing—that is the danger of the position taken by the hon. Member for Harlow (Robert Halfon). One of the lessons that Labour learned from the Conservatives in the 1980s and early 1990s was the importance of the law and order agenda. That had a profound impact on the Labour party, and the tragedy is that the coalition has forgotten that lesson. This Administration seem to have the wrong priorities.

I would have liked to have been party to the coalition talks and to have discovered how no priority was given to basic safety and security when they sat down to plan this great document. How did the Administration arrive at the conclusion, based on all their experience of their manifestos and the election outcome, that the electorate wanted to prioritise spending on international development and health above all else? I would like to see that put to a referendum or discussed in one of the Deputy Prime Minister's question and answer sessions around the country. When I talk to voters, they tell me that the Administration have got that wrong.

Gordon Birtwistle (Burnley) (LD): Will the hon. Gentleman give way?

Steve McCabe: The hon. Gentleman is very quick off the mark, but why not?

Gordon Birtwistle: Is the hon. Gentleman saying that he would cut the spending on health and international development and save money in other areas? He has not declared that before.

Steve McCabe: I am saying exactly that. I would not prioritise those two things above basic safety and security.

I was about to say that we have already seen a cut in this year's core funding for the police. Most chief constables and police authorities anticipated that and they have taken some steps to prepare for it. That is what Programme Paragon in the west midlands is partly about; it is a reorganisation of the police to get better efficiency and use of personnel. Now we are faced with even more severe cuts on top—cuts to magistrates courts, to police, to probation, to prisons and to the entire criminal justice system. There is no area where the axe will not fall. It is inevitable that that scale of cuts will lead to a rise in crime and public alarm. That is a given.

One of the areas where this Administration are falling down and could learn lessons is that Labour listened to professionals and to the public about their concerns on crime. That is why crime was down when we left office—we listened and we took on board the concerns. The danger here is that the Administration are not listening and that we will all pay the price further down the line.

I want to make it clear that I accept the argument for cuts. I do not happen to revel in them—unlike some of the people on the Government Benches—but I accept the argument. There should be savings and cuts—I have no problem with that. I think it was the hon. Member for Cannock Chase (Mr Burley) who said that he wanted to see some savings in standardising equipment purchase and in national procurement. So do I, and that is why they were in the White Paper that Labour produced. If I remember correctly, that White Paper also contained our pretty ambitious plan to cut police overtime, something that the coalition has taken on board.

I have no problem with trying to make such savings and I think, frankly, it is utterly dishonest of the people opposite to pretend that we are saying anything else. We can argue about the scale of cuts and about the impact on the economy, but to stand there and try to pretend that we are not saying that is downright dishonest.

As I said, there is nothing wrong with a Government seeking greater efficiency, but it is a question of numbers and scale. I happen to agree with Her Majesty's inspectorate

[Steve McCabe]

of constabulary and the Audit Commission that cuts in excess of 12% will affect the capacity to police our streets. It is as simple as that. Sir Paul Stephenson has made it clear that the scale of cuts being planned will mean a much smaller force in London as we prepare to police the Olympics. I am not sure that anyone has given sufficient consideration to what that might mean.

I personally think that we will see two effects from the Government's actions. First, we will see a freeze on recruitment—that is already happening in the west midlands—and a freeze in promotion. Ultimately, that will drain morale and lead to a stunted, unbalanced and defensive police organisation. We will also see the reverse of civilianisation—the very opposite of what the Home Secretary claims that she wants.

Civilians, who are obviously easier to sack than police officers, are going to be forced out, and police officers will then have to be redeployed to take on some of those civilian tasks. Rather than seeing crime fighters, we are going to see trained police officers back on front desks acting as receptionists. They will be answering phone calls about minor matters and carrying out back-office admin tasks. They will not be out on the streets but be back in the offices reverting to doing simple typing tasks. Reverse civilianisation will be the effect of sacking civilians because they are easier to dispose of, and their work will still have to be done by police officers. That will be the consequence.

I am concerned that eventually chief constables will be driven, probably in despair, to use what is known as regulation A19 to sack officers who have completed 30 years of service. Perversely, that makes sense at force level because those people draw some of the highest salaries; it has an immediate impact on the budget because salaries are the largest part of the budget. However, the consequence is getting rid of some of our most experienced police officers. That means getting rid of the people who contribute most to the job while the public still have to pick up the tab for their pensions and any pay-off arrangements that were made in persuading them to go. That approach makes no sense in the long run and is a classic short-term economy with long-term ramifications. I understand that the West Midlands police force, which is admittedly the second-largest force in the country, is looking at losing about 2,000 police jobs as a result of what is planned. To give an idea of scale, about 14,000 people are employed by the force.

It is easy to trade statistics in debates such as this, and we have heard one or two already, but I want to draw attention to one that has caught my eye. Cardiff university recently demonstrated that there were 64,000 fewer violence-related attendances at accident and emergency departments in 2010 compared with 2001, which represents a fall of 15%. We should pay attention to that independent research, because it tells a story about violent crime and it rather contradicts some of the myths that we have heard recently. I commend it to the Government and I hope that they will be willing to follow it up. There is also the British crime survey, which is not so popular with the Government, certainly not since they were rebuked by Sir Michael Scholar for misusing statistics. I often wonder how long it will be before we hear a statement that the UK Statistics Authority is to be abolished in the interests of Government efficiency.

As I have said, one reason for Labour's successes in law and order was that we paid attention to the concerns voiced to us by the public and professionals. That is the real story behind why we introduced antisocial behaviour orders. We recognised the need for a measure that would address the types of antisocial behaviour that the police and the public were telling us they were powerless to deal with. ASBOs are not perfect, but they are better than nothing. What we need is a measure that allows people who are constantly on the receiving end of antisocial behaviour and are not being helped by their police or local authorities to go directly to court and ask for something to be done. That would be much more effective.

The bureaucracy that the Home Secretary worries about is not inherent in ASBOs. The problem is the bureaucracy and dilatory behaviour of councils such as the Lib Dem-Tory coalition authority in Birmingham. That is why it takes so long to deal with antisocial behaviour. It would be much better if the Government put some energy into tackling that bottleneck, rather than taking away one of the tools that people generally feel is making a difference. Deciding to abolish ASBOs without a sensible alternative is like turning one's back when people are suffering the worst kind of torment. It suggests that the coalition is already out of touch. I am sure that if Ministers had spoken to people about this, they would not be setting out such a proposal.

It is good that we use technology to tackle miscarriages of justice and to catch people who thought that they had got away with it. I worry that the Government's position on DNA is pseudo civil liberties posturing and doubt that it is reasonable or rational. I am not against a review of CCTV, and given some of the points made about Project Champion in Birmingham, there might be a good argument for a review. However, if the Government seriously think that ANPR and CCTV are not needed in the fight against crime, they are totally and utterly wrong. On CCTV, we should, if anything, be worrying about how we will find the resources for the next generation of cameras. Addressing that point in conjunction with regulation would be much more useful than simply going along with the wheeze that we can get by without them.

The Government talk a great deal about freedom, but I detect a certain degree of intolerance and authoritarianism behind the mask. The Audit Commission might cause a problem—abolish it; the Association of Chief Police Officers might be awkward—emasculate it; police authorities might not play ball—scrap them. The Government talk about localism and the big society but move in the opposite direction. They are destroying the links between ordinary people and the criminal justice system, and their obsession with cuts that go beyond economic sense will destroy neighbourhood policing.

I spoke at a charity event in Worcester the other week along with the hon. Member for West Worcestershire (Harriett Baldwin). I invite hon. Members to ask her privately—not in the Chamber—what a largely Tory audience thought about elected police commissioners. I will tell hon. Members why we will have such a short consultation on that: because the Government know that the proposal does not make sense. It is a fix, just like the Deputy Prime Minister's boundary review, that will not work.

The Government have a lot to learn about what people really want from policing. Unfortunately, they plan to learn on the job using the British public as their laboratory.

5.58 pm

Mr Robert Buckland (South Swindon) (Con): I am grateful for the opportunity to address the House. I hope that I shall not use my full allocation of time because I know that several hon. Members still wish to play their part in this wide-ranging debate. The shadow Secretary of State went through the gamut of policy in general, talking about not only policing but wider issues of criminal justice, and I shall be as faithful as possible to the parameters that he set in his opening speech.

The preceding speech made by the hon. Member for Birmingham, Selly Oak (Steve McCabe) was revealing in the sense that he said that the Labour party learned a lot about what people wanted during the '80s and '90s. However, it seems to me that Labour learned a lot about what tabloid headlines demanded rather than about what was happening on the ground. The Labour Government's increasing distance from the reality of people's lives was reflected by their culture of legislative incontinence and increasingly centralised control that must have made police officers—from chief constables down to those at ground level—feel that at times they were being made to revolve on the spot. The consequences of the lack of clarity—the ever-changing parameters set for the police—were manifold. I shall concentrate on several that were worrying.

The first casualty of the previous Government's obsession with centralism and targets was trust in the ability of constables and more senior police officers to take decisions—decisions on the priorities that they wanted to set in their localities, on the appropriate responses to complaints of crime, and on whether a suspect should be charged. One of the most fundamental powers available to the police was rudely taken away from them, and I am delighted that the new Government will restore in part that discretion to the police. I take this opportunity to agree with my hon. Friend the Member for Broxtowe (Anna Soubry) in urging the Government to go further and to restore the power of charging completely to police officers. Let me tell the House why I believe that.

In recent years, there has been an increasing obsession with the need for the investigating authority to get everything precisely in order before the decision to charge. That fad—that obsession—has led to debates in this House, before the election and since, and in the media about detention periods prior to charge. We have hotly debated the subject, here and elsewhere, with wildly and dramatically conflicting views expressed about civil liberties. I am left wondering why we have ended up in that position. Why is there that obsession with the need to delay everything before the decision to charge?

Time and again, when police officers made the early decision to charge, it provided the key incentive to the investigating authority to get on with the job of investigating the case thoroughly, preparing it for trial and making sure that victims and witnesses were not kept waiting. Then, the decision to charge was removed to the Crown Prosecution Service.

The advice before charge system involves an often experienced police officer having to telephone a CPS lawyer, probably located some distance from the police station, and reinvent the wheel by explaining everything to that lawyer, only to be told that the lawyer was not seized of all the necessary information and the key decision to charge would have to be put off. That has led to real frustration, not only on the part of police officers, but also, and crucially, on the part of witnesses who, having made their statements, have been asked to wait for months—sometimes for more than a year—before giving evidence. What effect does that have, first, on the ability of the witness to remember events clearly and, secondly, their enthusiasm to come to court? Those are fundamental problems that I saw at first hand, time and again, during my years in practice in the Crown court.

Another consequence was the culture of clear-ups—the driver whereby the police had to resolve unsolved crimes. It did not seem to matter what the crime was; what was important was getting that clear-up. The outcome was essential. It did not matter if the crime was serious; as long as the box was ticked and it was moved off the system, everything was okay. That is not a reflection of public opinion or public confidence, or of a Government who are learning the lessons and listening to people. It is a complete negation of what the public interest is and what the public really want.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): If that point is juxtaposed with the other part of the Government's plan to have democratically elected leaders of local police authorities, if a candidate stood on a manifesto of clear-ups and won, would such a policy be allowed?

Mr Buckland: Obviously, there will be a distinction between police commissioners getting involved in day-to-day operational duties and their other role, but I think it will be perfectly in order for candidates to debate that question and how we deal with the clear-up issue. That is a matter of legitimate public concern and debate, so I do not see any problem with dealing with that. It would be a different matter if on a day-to-day basis, a particular case were in some way influenced by a commissioner. In terms of the remit of that elected official, that would be to stray into the wrong territory.

There was a rather absurd reversal of roles, whereby senior Ministers—a succession of Labour Home Secretaries—wanted to outdo each other in order to sound tough on crime. The right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) is not in his place, but he described his era as a golden age: a year of broad sunlit uplands, peace and tranquillity, as he stood with a shining sword in hand, on his way to the new Jerusalem. Juxtaposed with that, senior police officers increasingly sounded like politicians and had to defend the indefensible. Their language became more and more obscure, and they did not sound like police officers anymore or like the representatives of a police force—a point that my hon. Friend the Member for Broxtowe made and I strongly support. Something was rotten in our state, and, if this Government had not acted quickly to recognise that, something would continue to be wrong.

Tom Blenkinsop: Will the hon. Gentleman give way?

Mr Buckland: I shall not give way at this point, because I need to develop this point. I am delighted that in place of that rotten rhetoric, we have a sense

[Mr Buckland]

of honesty and reality when it comes to addressing what is going on at the coal face of the criminal justice system.

A major part of the right hon. Gentleman's speech was on antisocial behaviour, but by assuming that there will be a wholesale abolition of the structure, an assumption that other Opposition Members repeated, an Aunt Sally has been set up. When the Home Secretary in her paper described the process of moving beyond ASBOs, she meant development and improvement, rather than wholesale abolition.

I shall propose a few sensible simplifications of the system. The criminal ASBO, or CRASBO, is a waste of time and should be removed. At the end of a Crown court trial, when a defendant has been convicted, punished and has received his sentence, an application is made, almost as an afterthought, for a criminal antisocial behaviour order, which is often poorly drafted, ill thought-out, unworkable and unenforceable.

Several hon. Members *rose—*

Mr Buckland: I shall not give way at this point, because I have only four minutes left, and the couple of points that I want to make are rather detailed.

When it comes to the rest of the ASBO structure, we have a system of "Thou shalt not", a prohibitory system telling the subjects of those orders what not to do. There is a case for allowing the greater use of mandatory orders. They encourage positive behaviour and particular steps that an individual should take to improve their behaviour, rather like what was done with antisocial behaviour injunctions under the Housing Act 1996, the year before Labour entered government, which was amended in later years. I met representatives of my local authority in Swindon during the recess to discuss those issues, and I am grateful to them for their constructive submissions in this respect. The authority has a very proactive antisocial behaviour team, and it will make submissions to the review in due course.

I turn to my other concern, which I share with the local authority. The Government have rightly said that the rather lengthy and cumbersome process of obtaining ASBOs in court must be streamlined. There has been a discussion about whether the forum for the imposition of ASBOs should move wholesale to the county court, but I agree with my local authority that we should urge caution. I would suggest that the magistrates court is a quicker, more effective and better forum for the resolution of a lot of antisocial behaviour orders. If new, streamlined procedural rules need to be developed, then that can be done.

My fundamental point is that we need to move away from what has been a tendency by authorities to reclassify crime as antisocial behaviour. The whole thrust of the legislation passed by the previous Government was what one might call the Heineken approach—to refresh the parts of our social problems that the criminal law could not reach. I am afraid that the principle has been undermined to a worrying degree as a result of the target culture and the need to avoid "criming"—that is a dreadful word, but I have heard it used many times; I do not accept that it exists in the English language—particular complaints, driving them down the antisocial behaviour route.

That is not the approach we should adopt. We should use ASBOs as a bolt-on to the existing criminal justice system. They should be used judiciously and carefully—not with a scattergun approach—to try to deal with a range of wholly unsuitable scenarios. Local authorities such as mine in Swindon use many stages before they resort to ASBOs. I encourage that approach across the country, while recognising that in each different locality local bodies should be free to make decisions based on their own priorities.

I did not recognise in any way the remarks made by the hon. Member for Birmingham, Selly Oak (Steve McCabe) about centralist authoritarianism as regards the new Government's approach to dealing with crime. I oppose the motion and commend the Government's approach.

6.12 pm

Heidi Alexander (Lewisham East) (Lab): I was not going to participate in this debate, but I was struck by the absence of discussion of a particularly important issue that is of the utmost concern to my constituents: the problem of serious youth violence, gun and knife crime, and the gang culture that still exists in some of our major cities.

During the election, I spoke to many mums and dads who told me that while they recognised that serious gang members had been taken off the streets, they were still very fearful for the safety of their sons and daughters. My concern about the Government's proposals to reduce police numbers and the amount of resources that are available to our police forces across the country is that our police will not have the same ability to tackle this very important and serious problem in many of our communities.

About three days ago, I received an e-mail from one of my constituents, and I thought that I would share it with Members of the House. He said:

> "The other day my son was threatened at knife point and had his phone taken on the very street where we live. To my absolute horror the police knew all of the gang member's names, their street names and they knew they all carry knives and guns."

My constituent went on to tell me that he had discovered on YouTube links to this particular gang—videos with hours of footage that, in effect, act as recruitment videos for the gangs. One video had 15,925 viewings, and I was appalled by some of the imagery contained in it.

I take this opportunity to ask the Government to set out in more detail what initiatives and plans they have to tackle this very important issue in our constituencies. I appreciate that it is not all about the police, and that organisations that can provide positive, accessible role models to our young people are critically important. It would be remiss of me, as the Member of Parliament for Lewisham East, not to bring this incredibly important issue to the attention of the House and to ask Ministers present here today to provide some assurances about what their Government will be doing to tackle this problem.

Those were the only points that I wanted to make. I had not planned to make an intervention in the debate, but as the issue had not cropped up, I thought it was very important to put it on the record, and I am grateful, Madam Deputy Speaker, for the opportunity to do so.

6.15 pm

Guy Opperman (Hexham) (Con): At the heart of this debate is a single issue: what would we all cut? How would we all approach the difficult dilemmas that we face? Police budgets are, by definition, an emotive subject, as anyone who has sat in the Chamber this afternoon can appreciate. Every one of us wants to have the maximum possible number of police. However, health, education, defence, justice and all the other matters that we have to address are also emotive. To look at the police budget on its own without considering other issues is naive and does not approach the full problem.

The simple question is this: is anyone above budgetary cuts? I do not believe that we are, or that the police are. All the police officers whom I speak to—I have done nine murder trials and spent the best part of 20 years working with officers—accept that things have to change. We do not have to explain that in terms of class or Thatcherism. Those things do not apply, because it is simply about maths. As we all explained up and down the country, if someone spends £400 but earns only £325, the maths simply does not add up. I see no problem in approaching that problem by saying, "This must change."

Toby Perkins: Seeing as the hon. Gentleman has set up his contribution based on the economy, he might choose to reflect on the fact that there is a fundamental difference between our parties. The Labour Government proposed to reduce the deficit, but not by nearly as much as the new Conservative Government. Because they are increasing the pace at which we are repaying the deficit, they will have to cut more and there will be fewer police on the beat and more crime. That is a fundamental difference in approach.

Guy Opperman: I disagree totally, because we are tackling the deficit earlier and will not have the problems that we would have had if Labour had kept delaying the cuts and spending as though there were no tomorrow. I can assure the hon. Gentleman that 6 May was the tomorrow, and his party lost it.

In Hexham, the police have already taken a small budgetary cut: I walked the beat with them barely three weeks ago. They are doing an amazing job of looking after their area and are perfectly able to cope with the difficulties that they have had thus far. Who knows where the future will ultimately lie? However, they understand and appreciate the problems and they know that there are ways forward. As the assistant to Barack Obama put it, "We should not waste a crisis." It is often in the difficult times that we can re-evaluate who we are, assess what we are doing and review what we are going to spend our money on in future.

I endorse the comments made by my hon. Friend the Member for Cannock Chase (Mr Burley) and by the hon. Member for Edinburgh West (Mike Crockart) in his excellent speech. The latter spoke with great eloquence, having been a police officer himself until nine years ago. He indicated, for example, that higher police numbers do not necessarily equal less crime. The example of Belgium is well known. There are very significant numbers of police—the highest numbers in Europe—yet the crime level is massively increased.

I hope that the Government will consider the fact that in a constituency such as mine, which is 1,150 square miles, the vital issue of rural crime has been treated very differently from other crime over the past 13 years, and I hope that things will improve. That point encompasses why I oppose the closure of the magistrates court in my constituency. The proposal is that we will have no magistrates court in our 1,150 square miles. I do not believe that that is the right way forward, hence my strong opposition to such a measure.

My final point is this. I ask myself why the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson), the shadow Home Secretary, gave the speech that he gave today—it has been mentioned this afternoon on several occasions. Some described it as an application to the post-election shadow Cabinet, but I am not sure that it was. I take the view that he expressed amazing reverence for Lord Michael Howard. He seemed to disregard all Home Secretaries between Lord Howard and himself, when we reached, as others described it, the delightful sunlit upland of "the year of Johnson", as he called it. That was very eloquent. According to him, the world went from the "prison works" policy of Michael Howard to him, but he disregarded the ASBO age of John Reid as Home Secretary and the CRASBO—criminal antisocial behaviour order—age of Charles Clarke, and indicated that we simply arrived in the year of Johnson when everything was sunlit and perfect.

I thought that the Howard-Johnson alignment had a future, but then I remembered that that was the name of a rather dodgy hotel chain in America that provides a kind of cut-price service. Lord knows where we could go with that. I support the Government, and I urge people to reconsider their approach. I accept that there are contrary arguments—police budgets are always emotive—but the Johnson alignment is not the right way.

6.21 pm

Chi Onwurah (Newcastle upon Tyne Central) (Lab): The ability—indeed, the right—of people to live in security is the most fundamental achievement of society, and Government Members who too often give the impression that public is bad and private is good should remember that only the public sector can deliver a police force in which the public have confidence.

Like many hon. Members, I do not have an intimate knowledge of the police, which is why I was pleased to have the opportunity to go on patrol in Newcastle with Northumbria police a few days ago. I was taken to Newcastle's Bigg Market by a local police sergeant and a police community support officer. For those who are unfamiliar with Newcastle, all human life is in the Bigg Market, from those who beg and sing for their supper, to the better-heeled student visitors and tourists, and all those for whom alcohol and entertainment form part of a good evening out. I was struck by the difference between the policing that I experienced then and the policing that I experienced during the Thatcher years.

Police Community Support Officer James Maguire and Sergeant Michelle Jahangiri had a deep understanding of the needs of the Newcastle community and of Newcastle's priorities. They told me how neighbourhood meetings, which my right hon. Friend the Member for

[Chi Onwurah]

Don Valley (Caroline Flint) described so eloquently, enabled them to understand better the community's priorities. I also saw for myself how the balance between PCSOs, who liaise directly with the community, and other police officers, means that the latter have more time to address the more pressing policing issues. That balance is important to successful policing.

The hon. Member for Broxtowe (Anna Soubry), who unfortunately is not in the Chamber, spoke of wanting a police force, not a service. I believe very strongly that the people of this country want both. Policing is a service. Force alone will not resolve the kind of policing issues that we face today, when it is the respect and trust of the community that is so important. The hon. Lady spoke of how children require the knowledge of supervision, but those who elected me are not children. They require a police force, but they also require a partner in the policing of their streets. That is why the changes that Labour and the investment it made in policing as part of a community service have been so important in Newcastle and across the country.

The reduction in crime under Labour is clearly related to improved and increased policing, but it is also related to our actions elsewhere in Government—in the economy and in social services. As several of my right hon. and hon. Friends have said, everything was not perfect. There was still much to do, especially in the area of mental health care. The events in Newcastle before the summer showed how closely related effective mental health care provision is to the demands on our police. But the plans of the coalition Government will increase enormously the burdens on the police while cutting the resources that they have available.

Cutting the area-based grant, for example, will mean that in Newcastle we may lose our taxi wardens, who have been so successful in reducing violence at taxi ranks. Cutting the future jobs fund will inevitably lead to more unemployment, which will in itself increase the burden on the police, as well as leading to increased crime. Abolishing antisocial behaviour orders will not only take away from the police an important tool that they can use, but will take away a form of reassurance from our communities, in some of the most deprived areas of our cities.

More generally, risking a double-dip recession, which will inevitably lead to higher unemployment, will present our police with huge new challenges. At a time when the police will face an increased burden, it is recklessness taken to extremes to propose cuts of between 25% and 40%. It is understandable, perhaps, that the Liberal Democrats should be liberal with our security and fail to consider the consequences of a free-for-all on our streets. But the British public would expect that the Conservatives would do all that they could to conserve crime-free streets. This betrayal of our security will not be accepted. For that reason, I support the Opposition motion.

6.28 pm

Mark Reckless (Rochester and Strood) (Con): I declare an interest in that I spent this morning, as a member of the Kent police authority, working with the chief constable on getting cracking on finding these savings. He has bravely set out his plans to find a 20% reduction, which is his assumption, and he is working towards that target. There is one element of the motion that I welcome, and that is the recognition from Labour Members that it may be possible to reduce spending on the police by up to 12% without affecting the front line. However, that raises the question why they did not do that.

In Kent, we have been working to do that, and have the second-lowest precept in the country. We heard from my hon. Friend the Member for Harlow (Robert Halfon). We are collaborating with Essex: we have a single command for all serious and organised crime, and we have a single IT system and single purchasing. Unlike a lot of areas of the country and the regional talking shops introduced by the last Government, we work to find those savings. There are a lot more savings to be found in bureaucracy as well, for example, through not always having to go to the Crown Prosecution Service to charge, and working with the CPS, the probation service and prisons, and perhaps trying to make them more responsive locally and get people working most efficiently.

The best thing we can do to help with the savings is introduce directly elected police commissioners, who could deliver efficiency and give the public the necessary savings. Every year, the police authority in my area receives perhaps 5,000 to 10,000 pages. The formality of that process should be replaced with a single individual working with the police efficiently to deliver what the public want. That is how to deliver better policing and to find these savings. Opposition Members failed to do that, and did not deliver in government. This Government will deliver.

6.31 pm

Mr David Hanson (Delyn) (Lab): We have had an interesting debate, and the level of interest in crime and policing provision has been demonstrated by the fact that 22 right hon. and hon. Members have spoken. That is a significant number of people who have expressed an interest in the concerns before us.

I would like to start be reiterating the Opposition's central charge against the Government's proposals to date. The record of the previous Labour Government was one of achievement and one of which Labour Members can be proud. It drove forward changes that I am proud of today and introduced cultural changes to the police service, but it will be put at risk by the Government's actions in the next few weeks and months. In particular, that record will be put at risk—this is the major charge in the motion—by the proposals to cut the resources of the police service. That proposal, which was actually encouraged by the Home Secretary and the Minister for Policing and Criminal Justice—they did not fight the Treasury—will mean that we will face potential major reductions of 20 to 25% in the police service budget. That will create major difficulties in the future—*[Interruption.]* The Minister says, "How do you know that?" I know it because it was stated in the pre-Budget report and indicated to police forces across England and Wales. I hope that that does not happen, but I expect it to do so.

I am talking not just about funding issues, but about the policy choices that the Home Secretary and the Minister are making over CCTV, DNA, domestic violence protection orders, control orders, the direct election of

police officials and penal policy. That will all put us on a collision course—it has the potential to drive crime up and to lose us the record that we have had to date. I am proud of what the Labour Government did. My hon. Friend the Member for Islwyn (Chris Evans), my right hon. Friend the Member for Manchester, Gorton (Sir Gerald Kaufman), my hon. Friend the Member for Birmingham, Selly Oak (Steve McCabe), my right hon. Friend the Member for Leicester East (Keith Vaz), and my hon. Friends the Members for Lewisham East (Heidi Alexander) and for Mitcham and Morden (Siobhain McDonagh) all praised the work of the previous Government.

We should remind ourselves of what my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson) said. The crime survey has shown that crime has fallen 43% since 1997, confidence in policing is up, violent crime fell by 42% in those 13 years, overall personal crime fell 41%, household crime fell 44%, vehicle crime fell, convictions rose, there are more people in prison and we have longer sentences. As a result of that, crime is down by 43% overall, as I said. I am not saying it was perfect, because it was not. If an individual is subject to a crime, to them it is 100% crime. *[Interruption.]* I am being heckled about reoffending rates, but those actually fell by 20% under the Labour Government. The number of new entrants into the criminal system also fell under the Labour Government, because we made the required investment in many areas.

Members on both sides of the House have mentioned that we have record numbers of police officers—143,734 police officers and 16,000 police community support offices. My hon. Friend the Member for Mitcham and Morden and my right hon. Friend the Member for Salford and Eccles (Hazel Blears) mentioned that they value the fact that PCSOs provide that service on the streets, giving reassurance. Those officers were not there, in any shape or form before the previous Labour Government came to power. There are also 17,000 more police officers now than in 1997. That investment has made the difference in reducing crime. I simply put that on the record, because although what we did was not perfect, it shows that we made a difference for people in constituencies throughout the United Kingdom by reducing crime.

We did that not just because we put resources into policing and police community support officers, but because we also did what Tony Blair said we would do, which was try to tackle the causes of crime, as well as crime itself. The past three years have seen the youth crime action plan, putting money into prevention work across the country and supporting after-school activities, weekend initiatives and a range of measures to help tackle crime and the causes of crime; putting money into antisocial behaviour initiatives, with the thresholds that we set until March this year to try to encourage local councils to have minimum standards; and looking at issues such as family intervention projects and Sure Start. Indeed, the word "gobsmacked" came to mind when I heard a Conservative Member say how much they welcomed and enjoyed Sure Start. My hon. Friend the Member for Kingston upon Hull East (Karl Turner)—in a sedentary intervention, albeit a prescient one—said, "Aren't the Conservative Government pledged to abolish Sure Start?" We will see in due course.

Tackling the causes of crime and putting resources into policing and police community support officers made a difference. Crime fell under the previous Labour Government. However, that is not to say that we would not have made savings had we been re-elected on 6 May. Indeed, let me point to the White Paper that I produced as Policing Minister in December last year, supported by my right hon. Friend the now shadow Home Secretary, to show that not only were we trying to take forward policing initiatives; we also recognised that we could, should and would have saved money by doing things more efficiently.

Those efficiencies included reducing the overtime bill by £70 million—the hon. Members for Weaver Vale (Graham Evans) and for Peterborough (Mr Jackson) made points about that—and developing national procurement standards for police officers' uniforms, beat cars and air support, thereby saving resources in what our 43 forces do; standardising procurement of body armour; cutting stop-and-search paperwork; piloting the transfer of Crown prosecution powers to the police for lesser offences; and looking at encouraging voluntary mergers, with a £500 million fund that I put in place as Policing Minister for that purpose. Government Members raised the question of exposing and developing good practice. The Quest programme, which we supported, did just that; indeed, it extended it, including in Weaver Vale, Cheshire, Runcorn and Warrington. In total, savings of more than £1.3 billion by 2014 were identified by the then Labour Government.

Those savings would have been seen through by the Labour Government, but the choice that the Conservative Government are making is to go beyond that. They are doing what my right hon. and hon. Friends have mentioned, which is cutting public spending because they believe in cutting spending, not because they need to tackle the deficit now. That is the choice that the Conservative Government have made. Every right hon. and hon. Member on the Labour Benches went into the election with a commitment to maintain health, education, and policing and crime expenditure. We were elected on that basis—*[Interruption.]* The Home Secretary indicates that that is not correct, but that was in our manifesto, upon which we were elected. I confess that it did not reach the hearts of all parts of the country, but it secured us the mandate to argue today for that expenditure for the future.

What have we seen from the coalition Government? In July, we saw cuts of £125 million to a budget for this year that they agreed in February and which we proposed when we were on the Government Benches as Ministers. We are now seeing cuts of potentially 25 to 40% in the number of police officers, which, as my right hon. Friends the Members for Leicester East and for Salford and Eccles, and my hon. Friend the Member for Chesterfield (Toby Perkins) said, will damage the ability of police officers on the streets. I happen to contend that, funnily enough, investment in police officers and community support officers has meant that crime has fallen accordingly. The chief constables of Humberside, Gwent, Kent and Cambridgeshire have all predicted deep cuts that will have a profound impact on the crime-fighting abilities of their forces.

As if that were not enough, we find that the Conservative-Liberal Democrat coalition is starting to dismantle some of the policies that have made a real

[Mr David Hanson]

difference on the ground in our communities, including tackling antisocial behaviour through the use of antisocial behaviour orders. I am extremely surprised by that. I grew up in the 1980s, and I believed that the Conservatives were the party of law and order. That is what they told us, every week and every month. That is what they told us all the time. Now, antisocial behaviour orders have been shown to make a real difference on the ground in stopping antisocial behaviour, with 65% of recipients stopping offending when the ASBO is put in place, and 95% stopping after their third order has been issued. However, the Conservative coalition is going to dismantle that system.

The policing pledge, which sets minimum standards of service for the communities that we represent, is also going to be thrown out of the window by the Conservative coalition. The ability to use DNA to bring criminals to justice is also to be thrown out of the window, despite the fact that, in the debate on the Crime and Justice Bill before the election, the Conservatives and the Liberal Democrats supported proposals under which people who had not been convicted of a crime—but who could potentially have been criminals—would have had their DNA stored. I look forward to a day that could be disastrous for the Government, if people are committing crimes when they could have been prevented from doing so. People could be killed, injured, raped or attacked, but individuals—*[Interruption.]* I say to the Deputy Leader of the House, the hon. Member for Somerton and Frome (Mr Heath), that there are balances to be struck in this regard. An individual might have been caught by the police but not charged. His DNA might have been collected. In 90% of cases, according to our current research, such a person could potentially commit a crime in the future. I look forward to being able to say that we could have prevented some of those crimes from being committed.

The domestic violence protection orders, which the Conservatives and Liberal Democrats did not oppose in the Bill in February, are now to be ditched by the Home Secretary.

Mrs May: I am grateful to the shadow Minister for giving me this opportunity to make it absolutely clear that we have not ditched domestic violence protection orders. We have deferred their introduction to ensure that, if we take the decision to carry on with them, they will be the most effective way of dealing with the issues that we all agree need to be dealt with. They have not been ditched.

Mr Hanson: We must look forward to the fact that two pilot schemes are being held back when they could have been developed.

On the issue of CCTV, there is certainly a need for regulation, but individual Government Back Benchers have said—*[Interruption.]* Well, when we were in government, we were considering proposals for regulation. The fact is, however, that the present Government believe in reducing the number of CCTV cameras and in ensuring that they are not deployed to the extent that we believe they should be. Hon. Members have given their views on that as well.

At the same time, a massive reorganisation of the police service is now pending, which will result in police forces taking their eye off the ball when it comes to fighting crime. The introduction of directly elected commissioners will cost £50 million. Nothing has yet been said about their roles and responsibilities, about who will set the precept, about qualifications or about staffing. The Government are developing a whole range of issues that will ensure that the police focus on reorganisation and not on their core business of fighting crime in the community at large.

My right hon. Friend the Member for Salford and Eccles mentioned control orders, the fight against terrorism and the Prevent budget. These are serious issues, but the Government are setting the needs of what they view as civil liberties against the need to protect the community at large. Again, I look forward to examining those issues in detail, so that we can hold the Government to account on terrorism, international crime, drug running and regional crime.

The Labour party would have maintained the resources for fighting crime and developing policing. We would have increased the efficiency of the police service and allowed the police to look outwards to the public they serve. We would have strengthened the police authorities and ensured that crime continued to fall, as it did during the 13 years of the Labour Government. I look forward to taking on the Government on these issues. We will expose their softness on crime while ourselves adopting the position of the party of law and order. We shall expose their failings over the weeks, months and years ahead.

6.45 pm

The Minister for Policing and Criminal Justice (Nick Herbert): Let us start with what is agreed on both sides of the House. We agree about the importance of tackling crime. Hon. Members of all parties have spoken about the importance of dealing with crime in their constituencies and of making their communities safe. We also agree about the importance of the police in tackling crime and the need to support them. We should all join in thanking the police for the work they do.

Beyond that, however, agreement ended, and we heard two kinds of speeches, reflecting the divide in today's politics—the divide between this coalition Government and the Opposition who are stuck in the past. It is a divide between the realists and the reformers on this side and the deficit deniers and big spenders on the other side. Government Members understand the importance of, and the responsibility to deal with, the deficit. We understand the importance of organisations, whether they be in the private or the public sector, spending their resources wisely.

We heard good speeches from my hon. Friends the Members for Cannock Chase (Mr Burley) and for Edinburgh West (Mike Crockart), reminding us that it is not just the number of police officers, but what they do, that matters. How available are they to the public? We should all be sobered by the report of Her Majesty's inspectorate of constabulary, issued just a few weeks ago, telling us that only 11% of the police—about a tenth—are visibly available to the public at any one time. We should ask ourselves the question why. Why is there not greater efficiency in our police service; can the money be spent more wisely? The report also said that higher spending forces are not necessarily better than

other forces and it proposed savings by greater use of civilian staff—some forces are doing that; others are not. As the Chairman of the Select Committee recommended, we need better procurement; we also need more effective collaboration and more back-office savings.

Hazel Blears: The HMIC figure of 11% of officers being available on patrol has been much discussed today. What is the right hon. Gentleman's target over the next 12 months? What does he think he can deliver when it comes to having more officers on patrol?

Nick Herbert: The right hon. Lady has not understood the new world, has she? We want to move beyond targets. We do not believe that public services are improved by the targets of which she was so fond.

That issue was reflected in the second group of speeches, which called for more spending. Never mind that we spend £14 billion a year on the police—50% more over the lifetime of the last Government. These speeches—not least the right hon. Lady's—called for more authoritarianism. Never mind about civil liberties: to hell with those, and who cares about the deficit? That was the substance of the shadow Home Secretary's case.

Toby Perkins: Will the Minister give way?

Nick Herbert: No, I will not.

The shadow Home Secretary said that we should not cut, that we should not make any savings in respect of the police and that we should protect the police, but take no action to protect civil liberties or reform police accountability. That was his contention. Let us deal with those matters in turn.

In his winding-up speech, the right hon. Member for Delyn (Mr Hanson) said that the Opposition would have maintained resources for policing, while the Opposition motion says that the previous Government would have maintained core funding. Yet, on 20 July, on "The Daily Politics" in a debate with me, the shadow Home Secretary said that his Government would have cut by "£1 billion a year"—a cut of 12%. There was the admission that they would have cut spending. Now, however, they say that they would have maintained resources. They do not know what they would have done, but we know what they would have done.

Mr Hanson: Will the Minister give way?

Nick Herbert: No.

Just a few weeks ago, we know that Labour Members voted against a reduction in police spending, which this Government had to make in order to deal with the deficit. That reduction was by 1.5%, but Labour Members voted against it.

Mr Hanson *rose*—

Nick Herbert: No.

How, then, can we take seriously the shadow Home Secretary's contention that he would have cut by £1 billion? The truth is, as we know, that the Government who left office bequeathed to the country £44 billion-worth of unspecified spending cuts. Those were cuts that they were going to make. They would not say how, but we know that they were in the order of 20%.

Alan Johnson: I thank the Minister for giving way. It will give him a chance to get his breath back.

I have said this consistently, and I will say it again very slowly. We set out in the November White Paper, the pre-Budget report, the Budget and other public documents savings of £1.3 billion over the next four years. That is about 12% of the Home Office budget. The HMIC report, to which the Minister referred, said that with a lot of effort it was possible to save 12% without affecting front-line services. That is the argument.

Nick Herbert: The right hon. Gentleman says that he would have protected police spending. So which budget would he have cut more deeply? Would it have been health? Would it have been defence? Of course Labour Members will not tell us, but we do know that HMIC has said that £1 billion a year—12% of the budget—could have been saved through better and wiser spending. We will not know the availability of resources until the outcome of the spending review on 20 October, but we are determined to protect front-line services.

When he was Home Secretary, the right hon. Gentleman would not guarantee police numbers. Perhaps that is not surprising, because we know that police numbers across the country were starting to fall on his watch. He knew that he could not guarantee the funding, and he knew what was around the corner.

The second part of the shadow Home Secretary's contention was that we should make no attempt to protect civil liberties. His entire attack was based on what we planned to do in relation to the restoration of those liberties. The Labour party's position is straightforward: the DNA that is taken from innocent people should be retained. The shadow Home Secretary based that on the argument that crimes would be solved, so why should he stop there? If the end justifies the means, why not take DNA from everyone? If the Labour party is suggesting that all people are potential criminals, they should believe that that would deal with crime. In fact, the end does not justify the means. Labour, the party that proposed 90 days' detention without trial, still does not understand that if we undermine liberty and erode public confidence in law enforcement—if we take away freedom—we do not make people safer at all.

The third part of the right hon. Gentleman's contention was that we should not accept the need for reform of policing. The Government believe that we must replace the bureaucratic accountability and top-down targets of which the last Government were so fond with democratic accountability, rebuild the bridge between the police and the public and reduce Home Office interference, so that we can give local people a real say over policing in their areas.

Labour Members raised various spectres. The hon. Member for Islwyn (Chris Evans) spoke of the risk of politicians being in charge of police forces. Who else should be in charge of police forces, other than elected people? Police forces must answer to someone, and I suggest to the hon. Gentleman that it might be right and proper for them to answer to democratically elected people. The shadow Home Secretary raised the spectre of extremism. That is a constant cry from the Labour party. The British national party won just 2% of the vote in the last election, but it suits Labour's argument to suggest that extremists will be elected. We on this side of the House say, "Let us trust the people when it comes

[Nick Herbert]

to who will be elected to these positions." The people will decide who should represent them and hold the police to account.

We are determined that local authorities will still have a role on police and crime panels, and are determined to press ahead with this reform. The shadow Home Secretary said that the reform simply was not necessary. Why? Why, in 2003, did the then Home Secretary, the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), propose directly elected police authorities?

"For many people",

the Labour Government said then,

"the question of who is responsible for what in terms of keeping communities safe is simply unclear. We must rectify this. Strong, transparent accountability is vital for community confidence."

In 2008 the Labour Government made the same proposal for introducing a form of direct elections into the governance of policing. The then Home Secretary, Jacqui Smith, said:

"We are...committed to introducing a stronger link between those responsible for delivering policing and the public they serve. We will legislate to reform police authorities, making them more democratic and more effective in responding to the needs of the local community."

Do Opposition Members think these arguments have changed? If they were right in 2003 and 2008, why are they not right now? Indeed, the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) simultaneously said we should reject further restructuring—his motion says that—and proposed a third reform. He suggested just a few hours ago at the Dispatch Box that we should have directly elected police authority chairs. I say to the right hon. Gentleman, "Three strikes and you're out. You've reneged on your promise to reform police authorities twice; why should we believe your latest back-of-the-envelope proposal to do it again?"

We, however, are determined to drive forward with our programme of reform, and it is reform that does not end at the greater accountability of local police forces. It includes measures to deal with serious and organised crime, the creation of a national crime agency, and placing police forces under strong duties to collaborate so they can cut costs and tackle crimes that cross force borders. It also includes a serious programme to tackle bureaucracy and to give the public more information through crime mapping and information about crime that is really happening in their streets—not statistics, which, frankly, the public no longer believe. It includes, too, proposals to reform the pay and conditions of police officers, and we start from the position, as we do across the public services, that we trust the professionals. That is why we want to return charging decisions to police officers, as was mentioned by my hon. Friends the Members for Broxtowe (Anna Soubry) and for South Swindon (Mr Buckland).

The reforms move beyond policing, too. There are reforms of the licensing laws to deal with the problem of 24-hour drinking and reforms to the toolkit of antisocial behaviour measures to ensure the police and local authorities have the ability to deal with that problem.

We do not accept the right hon. Gentleman's rose-tinted view of the years of the last Government. We do not accept what he described as the "glorious year of Johnson". Where did that glorious year end up? It ended up with 10,000 incidents of antisocial behaviour every day, 100 serious knife crimes every day, 26,000 victims of crime every day and 1 million victims of violent crime a year. That is not a glorious record. Five million to 10 million crimes a year is not a glorious record; that is not a record about which the Labour party should be remotely complacent, yet Labour Members rise from the Opposition Benches and suggest nothing more needs to be done to deal with crime other than the ineffective remedies they proposed before.

What did the Labour Government spend their time doing? They spent it wasting money by amalgamating forces, creating bureaucracy with reams of guidance, introducing a policing pledge and spending £6 million a year on doing so, and, of course, creating new laws: 50 Acts of Parliament and 3,000 new offences, and not just offences that would help deal with crime. After all, did these offences make people safer? No, they did not. With their new laws, the Labour Government introduced 24-hour drinking and the so-called café culture, and they downgraded cannabis. They also released 80,000 offenders early under their end-of-custody licence scheme, which, of course, they scrapped just before the election was called. Above all, they spent and wasted industrial sums. They are in double denial: they created the deficit and they are failing to deal with it. We say that we cannot go on like this, spending more than three times the entire budget of the criminal justice system—that of the police, courts and probation service—on debt interest every year. We are determined to deal with the deficit and it is our responsibility to do so. That is the difference between the two sides—we are driving radical reform and they are stuck in the past.

Question put (Standing Order No. 31(2)), That the original words stand part of the Question.

The House proceeded to a Division.

Mr Speaker: I ask the Serjeant at Arms to investigate the delay in the No Lobby.

The House having divided: Ayes 232, Noes 327.

Division No. 57] **[6.59 pm**

AYES

Abbott, Ms Diane	Blenkinsop, Tom
Ainsworth, rh Mr Bob	Blomfield, Paul
Alexander, rh Mr Douglas	Blunkett, rh Mr David
Alexander, Heidi	Brennan, Kevin
Ali, Rushanara	Brown, Lyn
Allen, Mr Graham	Brown, rh Mr Nicholas
Anderson, Mr David	Brown, Mr Russell
Austin, Ian	Bryant, Chris
Bailey, Mr Adrian	Buck, Ms Karen
Bain, Mr William	Burden, Richard
Balls, rh Ed	Burnham, rh Andy
Banks, Gordon	Byrne, rh Mr Liam
Barron, rh Mr Kevin	Cairns, David
Bayley, Hugh	Campbell, Mr Alan
Beckett, rh Margaret	Campbell, Mr Ronnie
Begg, Miss Anne	Caton, Martin
Bell, Sir Stuart	Clark, Katy
Benn, rh Hilary	Clarke, rh Mr Tom
Benton, Mr Joe	Coaker, Vernon
Berger, Luciana	Coffey, Ann
Betts, Mr Clive	Connarty, Michael
Blackman-Woods, Roberta	Cooper, Rosie
Blears, rh Hazel	Cooper, rh Yvette

Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Havard, Mr Dai
Healey, rh John
Hendrick, Mark
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharón
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lloyd, Tony
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Mr Khalid
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Mitchell, Austin
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Mr Jim
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Mark Tami and Mr Frank Roy

NOES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Fabricant, Michael

Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Mills, Nigel
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Wilson, Mr Rob
Wollaston, Dr Sarah
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Jeremy Wright and Mark Hunter

Question accordingly negatived.

Question put forthwith (Standing Order No. 31(2)).

That the proposed words be there added.

The House divided: Ayes 324, Noes 230.

Division No. 58] **[7.16 pm**

AYES

Adams, Nigel
Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew

Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Chope, Mr Christopher
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
Davies, Philip
Davis, rh Mr David
de Bois, Nick
Dinenage, Caroline
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Fabricant, Michael
Fallon, Michael
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Haselhurst, rh Sir Alan
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, Mr Gerald
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Huppert, Dr Julian
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr Marcus
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Metcalfe, Stephen
Mills, Nigel
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Streeter, Mr Gary
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Thurso, John
Timpson, Mr Edward
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Uppal, Paul
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Walter, Mr Robert
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Wharton, James

Wheeler, Heather
White, Chris
Whittaker, Craig
Whittingdale, Mr John
Wiggin, Bill
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Shailesh Vara and Mark Hunter

NOES

Abbott, Ms Diane
Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Alexander, Heidi
Ali, Rushanara
Allen, Mr Graham
Anderson, Mr David
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Bayley, Hugh
Beckett, rh Margaret
Begg, Miss Anne
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Betts, Mr Clive
Blackman-Woods, Roberta
Blears, rh Hazel
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Brennan, Kevin
Brown, Lyn
Brown, rh Mr Nicholas
Brown, Mr Russell
Bryant, Chris
Buck, Ms Karen
Burden, Richard
Burnham, rh Andy
Byrne, rh Mr Liam
Cairns, David
Campbell, Mr Alan
Campbell, Mr Ronnie
Caton, Martin
Clark, Katy
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Dobbin, Jim
Dobson, rh Frank
Docherty, Thomas
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Edwards, Jonathan
Efford, Clive
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Fitzpatrick, Jim
Flello, Robert
Flint, rh Caroline
Flynn, Paul
Fovargue, Yvonne
Francis, Dr Hywel
Gapes, Mike
Gardiner, Barry
Gilmore, Sheila
Glass, Pat
Glindon, Mrs Mary
Godsiff, Mr Roger
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Havard, Mr Dai
Healey, rh John
Heridrick, Mark
Hepburn, Mr Stephen
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hoey, Kate
Hood, Mr Jim
Hopkins, Kelvin
Howarth, rh Mr George
Hunt, Tristram
Illsley, Mr Eric
Irranca-Davies, Huw
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Keeley, Barbara
Keen, Alan
Kendall, Liz
Khan, rh Sadiq
Lammy, rh Mr David
Lazarowicz, Mark
Leslie, Chris
Lloyd, Tony
Love, Mr Andrew
Lucas, Caroline
Lucas, Ian
Mactaggart, Fiona
Mahmood, Mr Khalid
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McCarthy, Kerry
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKechin, Ann
McKinnell, Catherine
Meacher, rh Mr Michael
Meale, Mr Alan
Mearns, Ian
Michael, rh Alun
Miliband, rh David
Miliband, rh Edward
Miller, Andrew
Moon, Mrs Madeleine
Morden, Jessica
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Murray, Ian
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Paisley, Ian
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Reynolds, Emma
Robertson, John
Robinson, Mr Geoffrey
Rotheram, Steve
Roy, Lindsay
Ruane, Chris
Ruddock, rh Joan
Seabeck, Alison
Sharma, Mr Virendra
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Sutcliffe, Mr Gerry
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, rh Keith
Vaz, Valerie
Walley, Joan
Watson, Mr Tom
Watts, Mr Dave
Whitehead, Dr Alan
Wicks, rh Malcolm
Williams, Hywel
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woolas, Mr Phil
Wright, David
Wright, Mr Iain

Tellers for the Noes:
Mark Tami and Mr Frank Roy

Question accordingly agreed to.

The Speaker declared the main Question, as amended, to be agreed to (Standing Order No. 31(2)).

Resolved,

That this House notes the appalling fiscal deficit left by the last Government and reiterates the urgent need to restore the nation to economic health; recognises that the police will need to play their part in reducing that deficit; and welcomes the Government's proposed policing reforms, which will deliver a more responsive and efficient police service, less encumbered by bureaucracy, more accountable to the public and, most importantly, better equipped to fight crime.

Diabetes

Motion made, and Question proposed, That this House do now adjourn.—*(Jeremy Wright.)*

7.29 pm

Keith Vaz (Leicester East) (Lab): I am most grateful for the opportunity to raise in this House the very important issue of the prevention of diabetes. I must first declare my interest as a sufferer of type 2 diabetes. I was diagnosed with this condition when I was asked by my local GP to open a diabetes awareness day in my constituency. I attended, I was given a test, and I was telephoned the next day by my GP to inform me that I had type 2 diabetes.

Since 1996, the number of diabetes sufferers in the United Kingdom has risen from 1.4 million to 2.6 million, and it costs the NHS £1 million an hour. I believe it is vital that we stop this epidemic. Diabetes is an incurable metabolic condition that leads to high blood sugar levels, which can have serious consequences for short-term and long-term health. The hormone insulin, which is made by the pancreas, helps glucose to leave the blood and enter the body's cells, where it is used for energy. People with diabetes experience raised blood sugar because insulin is not being produced by the pancreas or there is insufficient insulin or insulin action for the body's needs.

As the House will know, there are two types of diabetes: type 1 and type 2. In the UK, 90% of adults with diabetes have type 2, where the pancreas produces insufficient quantities of insulin and/or the insulin has a reduced effect on the muscle and liver cells. Type 2 diabetes can be managed through healthy eating and regular exercise, but if the disease progresses, anti-diabetes tablets, incretins or insulin injections may need to be taken. In type 1 diabetes, the body does not produce insulin at all as a result of the body's defence system attacking its insulin-producing cells. Treatment involves daily insulin injections, in conjunction with healthy eating and regular exercise. Type 1 diabetes is usually diagnosed in children or young adults. For the purpose of this debate, I will be referring largely to type 2 diabetes, which is, in my view, preventable, as opposed to type 1, which is not.

Mr Adrian Sanders (Torbay) (LD): May I pay tribute to the right hon. Gentleman for securing this debate and for his support for the all-party group on diabetes? Some studies have shown that preventive action can put off the diagnosis even of type 1 diabetes, so he is speaking for all diabetics tonight.

Keith Vaz: I am most grateful to the hon. Gentleman for his intervention. I pay tribute to him for the work that he has done in this House as chair of the all-party group, which has made a profound difference to Parliament's understanding of the issue. He is quite right—the research does indicate that. It is important that we take on board the very important research that is being done in this area, as he describes, and indeed pay tribute to the work of other organisations such as Diabetes UK, which has campaigned for so many years on the issue.

Diabetes is a ticking time bomb—a time bomb that needs to be defused. It is estimated that by 2025 more than 4 million people will suffer with diabetes. That will be a shocking increase in the numbers.

Mr George Howarth (Knowsley) (Lab): I congratulate my right hon. Friend on choosing this subject for debate. Will he also pay tribute to the work of the Juvenile Diabetes Research Foundation for the work that it is doing to try to highlight the difficulties of young people with diabetes?

Keith Vaz: I certainly will. As the House knows, my right hon. Friend has a debate next Wednesday in which he will explore the issue of young people and diabetes. I know that his own daughter is a sufferer of type 1 diabetes. I certainly pay tribute to the work that that organisation does. These voluntary organisations are of great importance in raising awareness.

It is not just diabetes itself that causes problems, it is also the complications and other conditions that arise from having it. For example, diabetes is the leading cause of blindness, amputation, renal disease and cardiovascular disease. Some 4,200 people in England are blind due to diabetic complications, and that number increases by 1,280 a year. Some 100 people a week lose a toe, foot or lower limb due to diabetes, and cardiovascular disease is a major cause of death and disability in people with diabetes, accounting for 44% of fatalities among people with type 1 diabetes and 52% among people with type 2. Diabetes is also the single most common cause of end-stage renal disease. It is evident that suffering from diabetes is detrimental to a person's general health, especially when it is not managed effectively.

Diabetes currently costs the NHS 10% of its annual resources, and in the next 15 years the costs will continue to escalate significantly as the prevalence of diabetes increases. The NHS cannot allow or afford the diabetes explosion to continue. Diabetes and its complications cost the NHS about £9 billion each year, which, as I have said, equates to £1 million an hour. About 7% of that is attributable to the cost of prescription medicines, and a significant proportion is made up of the costs of treating serious long-term complications of the condition.

How do we avoid those costs, both human and financial? Early identification is the key. The later the diagnosis of diabetes, the higher the human and financial price that we have to pay. It is estimated that there are currently 1 million people living with diabetes in the UK who are simply not aware of having the condition. A fundamental problem is that type 2 diabetes is more often than not an asymptomatic condition. It is thought that many people with type 2 diabetes may have had it for nine to 12 years before diagnosis. As I said, it was sheer chance that I turned up in my doctor's surgery that morning to be told that I had type 2 diabetes. Raising awareness of diabetes and making testing available is therefore essential if we are to get a grip on the problem.

I could mention a number of organisations, including Diabetes UK, and I pay tribute also to the Silver Star organisation, which was established in Leicester some years ago and continues to campaign among the south Asian community in particular. Such organisations are vital because the NHS cannot do it all on its own.

Diagnosis does not necessarily mean that a sufferer is getting the care and help that they need. It is thought that approximately 40% of people in the UK with diabetes are in poor diabetic health, which means that their condition is not being effectively regulated. Of all the reasons why people are liable to diabetes, obesity has been identified as having the strongest association

[Keith Vaz]

with type 2 diabetes. Almost two in every three people in the UK are overweight or obese, and the National Audit Office suggests that 47% of type 2 diabetes cases in England can be attributed to obesity. That puts an extremely high number of people at risk of contracting it.

The most deprived people in the UK are two and a half times more likely than average to have diabetes at any given age. That is surely symptomatic of the inequalities that exist not just in our health system but in our society. Type 2 diabetes is up to six times more common in people of south Asian descent and up to three times more common among people of African and Afro-Caribbean origin. Although we must raise awareness in all sections of society, it is clear that knowing which groups are at the highest risk gives us an advantage in targeting campaigns and prevention programmes.

I welcome the Minister to the Dispatch Box. Whenever I have raised the issue with him, he has been extremely helpful and listened very carefully to what I have had to say. I am sure that when he responds, he will tell us about the programmes that currently exist, some of which were started by the previous Government. If there is one thing that I wish to stress to him, it is the need to prevent the condition rather than treat it. With the inevitable changes in our NHS—there will be reductions in some areas in the context of the coalition Government's overall commitment to keep health expenditure at last year's levels—the more we can spend on preventive work, the better it is in the long run. If we spent the £1 million an hour that we currently spend on treating diabetes on preventing it, in the long run, some of those in the Chamber tonight who are younger than me, and their children and grandchildren, will benefit greatly.

I shall conclude by raising one local constituency issue. About a year ago, I had a meeting with the then Health Secretary and the chief executive of the local primary care trust, Mr Tim Rideout, who recently informed me that he is leaving Leicester to go to London to work on the commissioning programme. I thank him and the PCT staff for their work, and I am sure that when the Minister meets him, he will find that he is an excellent officer of the NHS. Leicester was promised a state-of-the-art diabetes centre of excellence. In fact, when we went to see the then Health Secretary, we did not even ask for money—it was in the budget, so very unusually, a delegation led by an MP did not ask for money. We were told by the PCT that £6 million was in the budget and that a centre of excellence would be created in Leicester, principally because of the high calibre of diabetes experts in the city, and obviously because the diaspora who live there mean that it is the best place to conduct such research.

However, I understand that that money is no longer available because the PCT is to be scrapped. I know that budgets are very tight indeed, but I hope that the Minister will consider whether there are any resources that will allow Leicester PCT to fulfil its ambition of creating a centre of excellence, not just for the people of Leicester, but for the people of our country, so that we can be a leading part of diabetes prevention in Europe and the rest of the world.

I ask people in every country that I visit about their diabetes figures. I was recently told in the Gulf that 20% of the population of Dubai have diabetes or are susceptible to diabetes. Sometimes, people have the condition but do not realise that they have it. I was also recently in Kenya, where the figures were very high indeed. When I was there, I was told that you, Mr Speaker, will be leading the delegation next week to the Commonwealth conference. People in Kisumu, which is my wife's place of birth, told me that it, too, has a diabetes explosion. They need not so much medicines, but food to enable them to change their diets. As in the Gulf, many of the community eat dates and, in the Asian community, sweets, especially at festival times. We could control diabetes if people changed their diets.

I know that this is an Adjournment debate and that it is not in prime time, but I am delighted to see so many right hon. and hon. Members here. If we act now, we can save the health service a huge amount of money and save lives. I hope that the Minister agrees.

7.43 pm

The Minister of State, Department of Health (Mr Paul Burstow): I am grateful to the right hon. Member for Leicester East (Keith Vaz) for taking the opportunity to apply for this debate, and congratulate him on his good fortune in securing it. It follows on from the questions he asked at Health questions yesterday. I know that he has an enduring, personal interest in pursuing this cause, and I pay tribute to his work, effort and leadership in raising awareness of diabetes among the south Asian communities in his constituency. He rightly paid tribute to the work of the Silver Star organisation.

Let me first address his final point, which was on his discussions with Ministers in the previous Administration and the intentions to create a centre of excellence. I need to be honest with him. I cannot give him an undertaking tonight other than the most important one that any Minister should give at the Dispatch Box, which is that I will go away and properly consider the matter and come back to him as speedily as I can. If that means a further discussion face to face, I would be happy to do that as well.

I also look forward to the debate that I will have with the right hon. Member for Knowsley (Mr Howarth) on type 1 diabetes, and I hope that we will get the opportunity to explore some other issues on that topic. While these are not prime-time debates, they are an opportunity to air issues that affect the lives of our constituents, so I am grateful to the right hon. Member for Leicester East for raising this matter tonight. He is right to highlight the disturbing rises in the rates of diabetes in this country, because it is placing a huge strain on the NHS, and has a profound effect on people's long-term health, with the most deprived and excluded groups often paying the highest price.

Diabetes could be described as a head-to-toe condition. Complications—many extremely serious if poorly managed—can affect every part of the body. I was particularly shocked, as I prepared for the debate, to discover that 73 lower limb amputations occur every week due to complications from diabetes. More shocking still, 80% of those amputations could have been prevented, some by lifestyle changes and others by changes in the approach of the NHS. Every preventable amputation is an appalling human tragedy, and something we need to improve on, which is why I am so pleased that we are discussing these issues tonight.

There was plenty in the right hon. Gentleman's speech that I supported and much common ground between us. I wholeheartedly agree that we must do more to prevent diabetes across all age groups and all social backgrounds. The Government's approach therefore has three levels. The first is the population level, and in diabetes, this is about improving general health across the population at large, recognising—as the right hon. Gentleman rightly said—that diet and lifestyle are key risk factors in diabetes. Then come targeted interventions for people at risk, which recognise that we can reduce and even reverse the worst effects of diabetes if we intervene early enough. Finally, there is the long-term management of established disease, and people with diabetes and clinicians must work together to delay, reduce or prevent complications. We need to get all three aspects right in order to secure the better results in diabetes care that all hon. Members would wish to see.

On the population level, rises in diabetes are closely linked to lifestyle and behaviour, which makes this a considerable public health challenge. Much of this is about individuals taking responsibility for their own health—for example, choosing not to have some of the sweets that the right hon. Gentleman mentioned—by changing what they eat, drink and how much exercise they take. We are clear that the Government and the NHS, while they have their parts to play, cannot and should not do everything. But what we can do is educate people about the risks, and give them the information to lead healthier lives and understand and change the influences that govern their behaviour.

I can confirm that the Change4Life programme will continue to be a focal point, as it has been successful in putting the issue on people's radar. The Change4Life brand will continue, but we will need to change it, as it can no longer be about glossy, national advertising campaigns directed from the centre. We need Change4Life to become less an old-style, centrally directed campaign, and more a genuinely social movement, owned collectively by communities, families, voluntary organisations and industry, and driven locally. Hand in hand with this, we need a much more targeted and community-led approach to health improvement as a whole. In the White Paper, we said that local councils will be given a central leadership role on public health, and we would expect local authorities to work with the NHS and other services to develop the appropriate strategies and approaches.

Keith Vaz: Some of the key people in this are GPs. I welcome everything that the Minister has said so far, but we need to get guidance out to GPs to tell them that they need to be proactive, as my GP Dr Farouki was. When they have a patient who matches the criteria and is therefore at risk, they should perform the test, which takes only five minutes. Such guidance could be very effective.

Mr Burstow: I am grateful for that point. I will say a little about guidelines in a moment, because good news is on the way in that regard.

I was talking about the public health role of local authorities that we are developing. It will be supported by a dedicated ring-fenced budget and the implementation of a new health premium, which will allow local areas to target reductions in health inequalities, including inequalities associated with diabetes and other cardiovascular diseases. We are also committed to working with industry on a new public health responsibility deal to ensure that business takes action together with others to support the nation's health.

On early intervention and diagnosis, the right hon. Gentleman is right to emphasise the importance of identifying pre-diabetes. There are two developments that relate to the role of GPs. First, the National Institute for Health and Clinical Excellence is developing guidance on preventing adult pre-diabetes in the first place. This will be published next year and will inform and support local public health strategies and others, as I have already described. Secondly, NICE is also preparing guidance on preventing pre-diabetes from progressing to type 2 diabetes. That will be a valuable tool in our fight against diabetes, and will help GPs and other health professionals to advise and support people at risk, hopefully to stop the disease in its tracks.

The right hon. Gentleman is right that earlier intervention and better diagnosis is crucial. NHS Health Check, which was introduced by the last Government, can prevent more than 4,000 people a year from developing diabetes, and could detect 20,000 cases earlier, so it can be, and should be, a very powerful means of detecting and supporting people at risk.

Mr George Howarth: Before the Minister moves on to the wider issues, I want to make a point about GPs and how they can be helped, which he was talking about. One of the difficulties is that often GPs are ill equipped to diagnose diabetes in the first place, and there is an argument for them to be given a series of protocols on how they should deal with certain symptoms. That would lead them towards a proper diagnosis, so I hope that he will consider something along those lines.

Mr Burstow: I will both consider it and hopefully have the opportunity to come back in next week's debate and say a little more about it.

Mr Sanders: The right hon. Member for Knowsley (Mr Howarth) makes a very important point. There is also the role of pharmacists, who need to be aware of the symptoms that people might describe to them. There are also the opticians and chiropodists. Any number of health professional could be involved in a preventive campaign.

Mr Burstow: My hon. Friend is right, and I certainly pay tribute to him for his work as chair of the all-party group on diabetes. He has been a powerful advocate on these issues for many years. I applaud what he has done, and he is right—pharmacists and other health care professionals are part of what we need to do in order better to equip the whole service for detecting and intervening.

I was told that the right hon. Member for Leicester East was going to ask about extending the age range. That is an important point that needs to be discussed. At the moment, NHS Health Check starts at 40 and calls people every five years. The best clinical and most cost-effective case was made for doing it at that age. However, there is nothing to prevent primary care trusts from commissioning services that widen the age range.

[Mr Burstow]

They should be considering that, particularly in areas with more susceptible populations, and clearly Leicester is one of those cases.

Keith Vaz: Last year, I wrote to the chief executive of every PCT asking how much they spent on preventing diabetes and on health checks such as the ones the Minister described. Some thought it was a freedom of information request and became very defensive. Will the Minister go back and get this information from his Department and place it in the Library of the House?

Mr Burstow: I will look into that. My view is that we need far more transparency when it comes to such issues, so that people can make comparisons of the performance of their local organisations and hold them to account over how they spend taxpayers' money on these services.

I want to move on to long-term management. Once diagnosed, people need personalised support to manage what is a highly complex and changeable condition. A person with diabetes must know how to spot and report changes in their health, and how to get the right services to prevent more serious problems. That issue was raised by my hon. Friend the Member for Torbay (Mr Sanders) in Health questions yesterday. He was right to do so, because it is important to ensure that we have good care planning, embodying the principle of "No decision about me, without me", which is vital in starting to transform the relationship between GPs and patients. Indeed, the diabetes year of care programme, led by Diabetes UK and the NHS, is already looking at how we can improve care plans for diabetes. Education goes hand in hand with that. I know that many NHS organisations offer patient-structured education programmes, specialist diabetes advice, care planning discussions and annual checks. We need more of that: it needs to be consistently applied and we need to ensure that good practice becomes the norm.

On treatment, it is no surprise to learn that the best results are achieved when there is a fully integrated, multidisciplinary team working across primary and secondary care, which picks up on my hon. Friend's point. Programmes such as the excellent "Think glucose" campaign and the guidance produced by NHS Diabetes on in-patient management are already helping hospitals to discharge patients sooner and give them a better experience of care. However, there is more to do on that—as well as in other services, such as foot care and eye services—to ensure that problems are dealt with early on, and certainly long before amputations become necessary.

Meanwhile, in primary care the relationship with GPs is crucial, as the right hon. Gentleman rightly said. We need them to be alert to the signs of pre-diabetes in routine consultations and to play a key role in the ongoing management of existing conditions. How we incentivise GPs to do so is a key issue. Clearly the qualities and outcomes framework is one avenue that could be explored, but it is for the National Institute for Health and Clinical Excellence to determine what QOF indicators are ultimately introduced. My hon. Friend referred to pharmacists. I certainly agree that they provide another channel for reaching those at risk, which is precisely why they are one of the ways in which health checks can be used in various settings.

In conclusion, the right hon. Gentleman spoke about his experiences in Leicester and the important lessons that he has drawn. He is right to point to the financial climate, which is undoubtedly a constraint on what any Government can do. However, it is also correct to say that this is not just about beds and buildings; it is actually about services and where they matter most in identifying diabetes early and then providing the appropriate care. The issue is fundamentally about outlooks, attitudes and priorities in the NHS and beyond. The principles that we have set out in the White Paper—pushing power downwards, paying for quality and strengthening the voice of patients—will bring fresh impetus to improving outcomes for diabetes.

It is clear that this issue is not just for the NHS, but for all of us—for the society in which we live. We need to strengthen preventive action on diabetes. Let me conclude by saying that I share the right hon. Gentleman's commitment and passion. I look forward to maintaining a close dialogue with him, and with my hon. Friend and the all-party group on diabetes, and to participating in next week's debate on type 1 diabetes.

Question put and agreed to.

7.57 pm

House adjourned.

House of Commons

Thursday 9 September 2010

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

ENVIRONMENT, FOOD AND RURAL AFFAIRS

The Secretary of State was asked—

Pitt Review

1. **Kate Hoey** (Vauxhall) (Lab): What recent progress has been made on implementation of the recommendations of the Pitt review. [14172]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): I am sure that the whole House would want me to record our condolences to the Prime Minister and to let him know that we are thinking of him at this time.

Good progress has been made since the publication of the Pitt review. We have started to implement the Flood and Water Management Act 2010 and published the national flood emergency framework, and we continue to work with local authorities to develop capacity.

Kate Hoey (Vauxhall) (Lab): I thank the Secretary of State for that answer. She will be aware of the consistently excellent work of firefighters in dealing with floods—indeed, I am sure she has praised it. The Pitt report was clear that to deal with the problems of training, equipment and resources, there would be a statutory responsibility. In fact, the Conservatives, Liberal Democrats and many Labour Members supported such a measure under the previous Administration. Will she give an assurance that during this Session of Parliament—in the next four or five years—that statutory requirement will be introduced, because it is crucial?

Mrs Spelman: I can tell the hon. Lady that we have of course read very carefully all the Pitt review recommendations, including that one. I should like to acknowledge the very important role that fire and rescue service authorities play in the face of any flooding incident. In fact, those authorities have not told us of a single case of their being constrained in their response by a lack of powers. The question of the need for a statutory responsibility will be tested in an exercise next year. The option of a statutory duty has certainly not been ruled out.

Mr Laurence Robertson (Tewkesbury) (Con): Sir Michael Pitt himself, however, admitted that his advice with regard to building in flood-risk areas was compromised by the fact that the previous Government had a very high national house building target. Now that that target, and indeed regional targets, has been removed, is it not time to revisit the planning guidance on building in flood risk areas, so that constituencies such as mine will be better protected in future than they were in the past?

Mrs Spelman: The Department for Communities and Local Government has started a review of the building regulations regime, and my Department will work with it to consider how that review can support Pitt recommendation 11, being mindful of the Government's aim to reduce the overall regulatory burden.

Nia Griffith (Llanelli) (Lab): In view of the fact that the Pitt report identifies the problem of responsibility, both if a flood happens and before that in the planning process, and that the Flood and Water Management Act 2010 addresses that, will the Secretary of State tell us what progress is being made on the implementation of the legislation in terms of the designated authorities for flooding, and what talks has she had with the Welsh Assembly Government on how that will affect cross-border areas?

Mrs Spelman: We have been making very good progress on that aspect of the Pitt review and will be talking to the Welsh Assembly Government in the next couple of months specifically on the Welsh dimension of the question. I am sure the hon. Lady will agree that it is important to raise capacity at the local authority level in response to flooding. That was a further Pitt recommendation. All those matters will be discussed with the relevant bodies in order to improve our resilience in the face of the threat of flooding.

Fish Quotas (Thanet)

2. **Laura Sandys** (South Thanet) (Con): What recent discussions she has had with fishermen in Thanet on their fisheries quotas. [14173]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): Numerous discussions with fishermen in the south-east in recent weeks, including in Thanet, have made me acutely aware of quota issues and the problems caused by the closure of key fisheries to the inshore fleet. The Marine Management Organisation has worked hard to secure additional quota to reopen fisheries and continues to do so. However, the current system is not sustainable. That is why the sustainable access to inshore fisheries project and common fisheries policy reform are key priorities.

Laura Sandys: Will the Minister thank the Department for the work it has done to support fisheries in the south-east, and will he outline his ambitions for the renegotiation of the CFP in 2012?

Richard Benyon: I am grateful for my hon. Friend's thanks to the officials in my Department, who have worked extremely hard, and to those in the MMO, who have worked tirelessly. However, fishermen in her area and many others up the east coast should be grateful to the MPs concerned, who have lobbied me very hard on those issues. My hon. Friend is absolutely right. There is a three-phase approach to dealing with this problem. First, we want to keep fishermen in business, which

involves swapping quota where we can and working on a short-term basis so that they can continue to fish. Secondly, we need to look at the recommendations of the sustainable access to inshore fisheries project, which has come up with some really good suggestions on which we want to consult widely. Thirdly, however, the CFP is in desperate need of reform. The door is open to the kind of reforms that would be appreciated, I believe, on both sides of the House. I want to work with my hon. Friend and other Members who represent fisheries communities to ensure that we have a CFP that is fit for purpose for our times.

Farm Animal Welfare

3. **Chris Williamson** (Derby North) (Lab): What steps her Department is taking to promote farm animal welfare. [14174]

5. **Ian Lucas** (Wrexham) (Lab): What steps her Department is taking to promote farm animal welfare. [14176]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): The coalition Government are committed to achieving high standards of animal welfare and are working through the detail of several policies to ensure that we accomplish this.

Chris Williamson: Does the Minister's refusal to name a date for the abolition of beak trimming not demonstrate the Government's failure to prioritise animal welfare?

Mr Paice: That is complete nonsense. As the hon. Gentleman should know, the date is already enshrined in law. The question is whether we seek to change that. To suggest that I have not set a date is nonsense, because his Government set that date. But we are considering representations, as did my predecessor, about whether to change that date. One of the underlying factors, not just on this but throughout animal welfare, is the advice of the Farm Animal Welfare Council, which is the body set up to advise the Government, and I think the cross-party view is that it is a very worthy organisation. We take its views strongly into account as we consider this matter.

Ian Lucas: As a former Minister, I have seen photographs of the terrible consequences of some of the types of game bird farming that occur. Supported by the British Association for Shooting and Conservation and other animal welfare groups, the previous Government brought forward legislation to improve the position. Why is it that this Government are determined to reverse that legislation and cause unnecessary suffering to game birds?

Mr Paice: It is precisely because that was the advice of the Farm Animal Welfare Council, which his Government disregarded.

Andrew George (St Ives) (LD): Further to the question asked by the hon. Member for Derby North (Chris Williamson), does my hon. Friend agree that, for those people concerned about the issue of beak trimming, the worst possible outcome from an animal welfare point of view would be that we end up with legislation that resulted in exporting animal welfare concerns—and jobs—to other countries? That would surely be a far worse outcome.

Mr Paice: My hon. Friend is entirely right. The sad reality is that chickens will feather-peck and adopt cannibalism in any circumstances, including in large free-range facilities. The challenge with which we have to wrestle is whether or not debeaking is a bigger or lesser welfare issue than the consequences of not debeaking. The Government want to see an end to debeaking and we will achieve that, but we have to ensure that we do not make the situation worse in the process.

Mr James Gray (North Wiltshire) (Con): As the hon. Member for St Ives (Andrew George) hinted, we have some of the highest farm animal welfare standards in the world. Does the Minister agree that unnaturally increasing those would have two results? First, we would import food from places with far lower standards than we have here, and secondly, that would put perfectly good farmers in this country out of business.

Mr Paice: My hon. Friend is entirely right, and we have learned the lesson. I accept that it was a Conservative Government who banned stalls and tethers in the pig industry, and we saw over the following 10 years a halving of the domestic pig industry while we continued to import pigmeat produced under the very systems that we had banned. That is why, alongside our determination to raise animal welfare standards in this country, we must also try to raise them at least across Europe.

Circuses (Wild Animals)

4. **Katy Clark** (North Ayrshire and Arran) (Lab): What recent discussions she has had on the use of wild animals in circuses. [14175]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): The Department is currently reviewing the summary of the responses received in response to the consultation held on that issue. Lord Henley has met representatives of the circus industry and animal welfare organisations to discuss this issue further. Following his meeting, he requested further information from the industry, which he has now received. He anticipates that the review will be completed shortly and a response to the consultation will be published later this autumn.

Katy Clark: The Minister will be aware that in the consultation 94% of respondents said they supported the ban on the use of wild animals in circuses, and the previous Government said they were minded to go ahead with that ban. There is great concern about the delay in this matter. I know that autumn in this place really means Christmas, so may I urge him to make a decision as soon as possible so that there is no more delay?

Mr Paice: As the House has returned in the first week of September, I am not sure that the hon. Lady is right to refer to Christmas. However, I will tell my noble Friend of her words. He is considering the results of the consultation and that further information, and I am

well aware of the response to the consultation and my predecessor's mindful remarks, to which she referred. However, other issues have to be addressed, not least that of the definition of a circus and how we distinguish that from other forms of performance, such as in films or theatre.

Bob Russell (Colchester) (LD): Does the Minister sincerely believe that exotic animals being forced to dance and do tricks is natural? Bearing in mind that very few animal circuses are now left, surely the best thing is to abolish them, which the last Government failed to do but had promised to do while in opposition.

Mr Paice: The direct answer is no, I do not think it is right for large animals, in particular, to be forced to perform acts for people's entertainment. I do not think that is right. However, the role of Government is to look at the whole picture. One issue that we have to address is the fact that, if we ban wild animals, we will ban not just elephants and big cats, but snakes and all sorts of things that might be present in a circus and which might be perfectly reasonable. A lot of issues have to be addressed, but my noble Friend is considering them and will make an announcement later.

Food Procurement (Public Sector)

6. **Julie Hilling** (Bolton West) (Lab): What steps her Department is taking to encourage the procurement of food of British origin by the public sector. [14177]

17. **Mrs Mary Glindon** (North Tyneside) (Lab): What steps her Department is taking to encourage the procurement of food of British origin by the public sector. [14188]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): We are committed to ensuring that food procured by Government Departments, and eventually the whole public sector, meets British or equivalent standards of production wherever this can be achieved without increasing overall costs. I have written to ministerial colleagues asking them to look closely at how they can help us to meet this objective.

Julie Hilling: As Ministers agreed, British animal welfare standards are among the highest in the world, which may make products slightly more expensive. I understood that Government policy was to ensure procurement in the public sector of British-produced food wherever possible. I am concerned, therefore, about the response that it may be procured from other sources. Also, how will the Government measure whether food has come from British sources?

Mrs Spelman: I can reassure the hon. Lady that we are proceeding with the commitment that I have given and which was outlined in the coalition agreement. With respect to the gap, the Government also intend to develop Government buying standards for the public procurement of food, which means that Departments will have to buy food that meets minimum sustainability standards. We know that our rules, especially on animal welfare, reflect the importance that the nation attaches to this issue.

Mrs Glindon: The Secretary of State referred to the fact that she has asked the Cabinet to implement her policy on food procurement. Will she explain more about the practical policies that she will implement to ensure that this procurement goes ahead?

Mrs Spelman: Again, I can give the hon. Lady this assurance. I have just said that I have written to all Departments about the importance that the coalition attaches to encouraging the public sector to procure food to the highest possible standards, followed up by the development of Government buying standards for food. However, I would like to give her some encouragement regarding our progress. It is demonstrable that we can implement this policy without increasing overall costs. Nottingham city council is a good example. It procures 90% of its fresh food from the east midlands area while demonstrating that the average cost per meal is 30% lower than the national average. That fact is welcomed by the Secretary of State for Health.

Jim Fitzpatrick (Poplar and Limehouse) (Lab): May I begin by complimenting the right hon. Lady on her choice of outfit? It is very DEFRA-esque—*[Interruption.]* Mr Speaker, there is surely room for manners in the House of Commons. Will she describe what obstacles she sees in the way of Departments and the rest of the public sector procuring British produce?

Mrs Spelman: First, I should like to thank the hon. Gentleman for his very nice compliment, which was received absolutely as it was intended. As much as anything, the obstacle might be a perception in the public sector that buying in food to British standards might cost more. The illustration from the health service that I gave to his hon. Friend the Member for North Tyneside (Mrs Glindon) demonstrates clearly that it is possible to procure to British standards—the highest standards—and save costs, but I will give yet another example that might help to change perceptions. Shropshire council sources local produce for school meals. It uses seasonal, local, organic ingredients and still made a saving of 11% in the first year of shifting to locally produced, British food made to high standards, particularly fruit and vegetables. Perception is an important point to address.

Jim Fitzpatrick: I assure the right hon. Lady that seeing British produce procured by the public sector is a shared objective. Will she therefore say how she intends to measure the success of her policy in increasing procurement, and how she will make this information available to the House?

Mrs Spelman: I recognise this as a shared objective, as the hon. Gentleman described it. He will know that DEFRA carefully records, by Department, the percentage of farm-assured food from all food supplied to the public sector. In writing to every Cabinet Minister about the issue, I have attached the league table of performance by Departments to provide an added incentive. We believe that the public sector should not spend taxpayers' money on food that is not equivalent to British standards of production, because it is unfair on our farming and food industries.

Kerry McCarthy (Bristol East) (Lab): I was very reassured to hear the Secretary of State say that animal welfare standards were important, as well as the British origin of the food. If the application for an 8,000-strong dairy factory farm in Lincolnshire is approved, will she join me in urging a boycott of battery milk by the public sector, and does she support the World Society for the Protection of Animals' "Not in my cuppa" campaign?

Mrs Spelman: The hon. Lady is talking about welfare standards and examples of planning applications—well publicised in the press—for large-scale units which, to date, have not been accepted. Logically, however, it is not scale that is the determinant of welfare: there can be animal welfare problems at both small and large-scale units. It has everything to do with the quality of the husbandry.

Flood Defences

7. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What recent assessment she has made of the adequacy of flood defences. [14178]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): The Environment Agency continually reviews the condition of its assets. Its target for 2011 is for 97% to be at or above target condition.

Miss McIntosh: The statement of principles agreed between the Government and the insurance industry is due to expire in 2013, yet many of the remaining issues, following the summer floods in 2007, are to do with the adequacy of insurance cover for homes and business properties. What assurance can the Government give the House that the statement of principles will meet the requirements of the insurance industry and that Government expenditure will remain at the level expected until 2013?

Richard Benyon: On the latter point, obviously I cannot prejudge the comprehensive spending review, which will be announced on 20 October. However, my hon. Friend will know, from the coalition document and our Department's structural reform plan, the priority that we are giving to such matters. Under her chairmanship, the Select Committee on Environment, Food and Rural Affairs will look closely at the issue. I have met with the Association of British Insurers, and I believe that my hon. Friend is joining us next week—or in the near future—for a summit with the insurance industry to talk about such matters. I assure her that the statement of principles is an absolute priority, and 2013 is a date very much in our minds. We want to ensure continuity in the future, because of the uncertainty for the 5.2 million households at risk from flooding.

Huw Irranca-Davies (Ogmore) (Lab): I congratulate the hon. Member for Thirsk and Malton (Miss McIntosh) on her elevation to the Chair of the Environment, Food and Rural Affairs Committee. I know that she will do sterling work. She and the Minister will know that, even with the massive investment in flood defences in recent years, including existing plans to protect another 200,000 homes by 2015, we will need to double investment over the next 25 years just to keep pace with climate change. In the short term, therefore, will the Minister at least maintain our existing commitment to protect more homes, year on year, over the next five years?

Richard Benyon: The hon. Gentleman knows the comprehensive spending review process well, and I cannot change what I have just said to my hon. Friend. He is absolutely right, however, and he knows the problem that we face. I am pleased that we are spending more this year than ever before, and I very much hope that that can continue. I am also pleased that the Environment Agency is ahead of the game in protecting 160,000 houses, against a target of 145,000. I have been looking at the flood implications of coastal erosion on the east coast, and I have seen what a massive problem we have there. I was enthused by some of the innovative local ideas for accessing more funding, and I hope that we can expand on them, not only in areas of coastal erosion but in regard to flood alleviation and resilience schemes elsewhere in the country.

Regulatory Burden

8. **George Freeman** (Mid Norfolk) (Con): What areas she has identified where the regulatory burden on the agricultural industry can be reduced; and if she will make a statement. [14179]

9. **Julian Smith** (Skipton and Ripon) (Con): What areas she has identified where the regulatory burden on hill farmers can be reduced; and if she will make a statement. [14180]

13. **Sajid Javid** (Bromsgrove) (Con): What areas she has identified where the regulatory burden on the agricultural industry arising from EU legislation can be reduced; and if she will make a statement. [14184]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): We are very aware of the need to reduce burdens on farmers, to increase competitiveness and to trust businesses to maintain standards. The taskforce on farm regulation, which I appointed in July, will consider how to reduce regulatory burdens and deliver risk-based and integrated compliance and inspection. It will consider all regulation that bears on farmers, including hill farmers, and it has started a wide consultation to understand which issues cause farmers most concern.

George Freeman: Can the Minister give some reassurance to farmers in my Mid Norfolk constituency who are still struggling as a result of the non-payment, late payment or part payment of their single farm payments? This is having a serious impact on their cash flow, and it is often the result of slow interdepartmental communications on issues such as land transfer.

Mr Paice: As my hon. Friend knows, I made a statement to the House in July about the Rural Payments Agency, following the outrageous and unbelievable damnation in the report by David Lane on the agency's operations. I have taken the chair of the oversight board, and we have appointed an interim chief executive while we search for a new one who is able to make that organisation fit for purpose. It is our determination to ensure that farmers in Mid Norfolk and everywhere else are paid accurately and on time.

Julian Smith: Hill farmers are facing significant challenges caused by the previous Government's scrapping of the hill farm allowance, and by the bureaucracy involved in

its replacement. Will the Minister meet me to discuss specific cases in Skipton and Ripon some time in the near future?

Mr Paice: Of course I would be very happy to speak to my hon. Friend on this subject, and I appreciate the point that he is making. The upland entry level stewardship scheme is basically a very good scheme; I would not dissent from that—*[Interruption.]* I am not going to criticise the basis of the scheme, but my hon. Friend is right to say that some aspects of it are too bureaucratic and difficult to access, particularly when issues between landlords and tenants or issues of common land are involved. I am happy to try to address that.

Sajid Javid: Farmers in my constituency of Bromsgrove rightly abide by EU regulations, including those that are frankly unhelpful to the farming industry. The Minister might know that farmers in other EU countries often ignore those same regulations, and attract little or no sanction from the authorities in those countries. Will he reassure us that he is aware of this issue and that his Department is doing all it can to make it better?

Mr Paice: I am very much aware of the belief in many parts of the British farming industry that regulations are not applied elsewhere in Europe. I am going to be completely honest, as the House would expect, and say that I think some of those stories are slightly exaggerated. I have many friends and contacts in the farming industry elsewhere in Europe, and they complain just as vigorously about this. Nevertheless, my hon. Friend's fundamental point is absolutely right. When a regulation is passed by Europe, it should be implemented and enforced equally across the whole of the Community, if we believe in fair trade and a single market.

John Cryer (Leyton and Wanstead) (Lab): Does the Minister think that the Agricultural Wages Board constitutes a burden or protection for vulnerable workers?

Mr Paice: We have already announced our intention to abolish the Agricultural Wages Board, which has gone unchanged for the past 50-plus years. It is entirely inflexible and unable to face up to modern needs. For example, a farmer is not even allowed to pay a worker a salary under the Agricultural Wages Order, which is nonsensical. We now have the minimum wage legislation, and it is only right that we should bring agricultural legislation into line with the rest.

Hilary Benn (Leeds Central) (Lab): As we have just heard, the Secretary of State announced in July the plan to abolish the Agricultural Wages Board, which sets terms and conditions in an industry where pay is low. That is a step that, as the House will recall, even Baroness Thatcher shied away from. Will the Minister try to explain why setting wage rates of between £5.95 an hour—which is only just above the minimum wage—and £8.88 an hour constitutes the burden of which he speaks? Where is the evidence for that?

Mr Paice: The issue is one of inflexibility, because of the wages orders implemented through the Agricultural Wages Board. The right hon. Gentleman has just made the point that the minimum wage for agriculture is 2p an hour more than the national minimum wage, so what is the point of having a whole superstructure of an Agricultural Wages Board for the sake of 2p an hour? That question answers itself. The right hon. Gentleman talks about who is responsible for abolition, but he should remember that it was Labour policy to abolish the Agricultural Wages Board and the Government were forced to rescind it by the Warwick agreement when they were in hock to the Liberals—*[Interruption.]*—I mean the trade unions.

Hilary Benn: There we have it—we see the burden under which the Minister is having to labour! That was no justification at all, because as the Minister is well aware, grades 2 to 6 will not be covered by the minimum wage legislation, and what about overtime rates and standby and what about bereavement leave? Does the coalition have something against the Agricultural Wages Board providing an entitlement to bereavement leave for farm workers? When will the Minister admit that all this talk about flexibility and so forth is nothing more than a smokescreen for a shabby little plan to cut the wages of agricultural workers?

Mr Paice: That just demonstrates how behind the times the right hon. Gentleman really is. In today's modern economy, we must have flexibility. We do not have wages boards for other sectors. His Government never brought back any of those abolished by the previous Conservative Government. If this system is so wonderful, why did Labour not bring any of those back? The answer is that at least some of his colleagues recognised the need for that flexibility. The reality is that the industry should make its own decisions in negotiations with its workers in tandem with the advice of the National Farmers Union.

Martin Horwood (Cheltenham) (LD): As the Minister is in hock to the Liberals, he will be aware of our commitment to landscape and biodiversity, including hedgerows. In reviewing the regulatory burden, will he ensure that the taskforce considers the new report on hedgerows by the Campaign to Protect Rural England, which suggests that regulations have helped, that it is necessary and possible to simplify them and that we should enhance the protection of hedgerows in the countryside?

Mr Paice: I am grateful to my hon. Friend and I accept his comment. The point of deregulation and the role of the taskforce is to simplify the burden, not to lower standards. I cannot repeat that too many times. We have no intention of reducing the protection for hedgerows. I was as concerned as my hon. Friend about them, but if we look at the issue carefully, we will find that many of the hedgerows have been removed not by farmers—in fact, they have been planting a lot more in the last decade—but as a result of development and local government actions.

Mackerel Quota

10. **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): What recent discussions she has had with the European Commission on mackerel quota. [14181]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): In addition to a conversation I had on a one-to-one basis with the European Commissioner Maria Damanaki, I wrote to her on 10 August about the north-east Atlantic mackerel fishery, in particular to express my

deep concerns about Iceland's and the Faroe Islands' total allowable catch for this species. The UK Government are working closely with the industry and the EU Commission to put pressure on Iceland and the Faroes to behave reasonably.

Tom Greatrex: I thank the Minister for that reply. I urge him to continue those efforts and to ensure that he interacts with the Scottish Fishermen's Federation and other fishing organisations in Scotland. Although this is not an issue in my constituency, it is a matter of concern to people across Scotland when an industry of such historical importance—and local importance in the north-east of Scotland—is potentially being undermined by the activities of Iceland.

Richard Benyon: That is a very good point. I had a conversation yesterday with Richard Lochhead and other Ministers from the devolved Assembly. I can assure the hon. Gentleman that we are working very closely with them, as with the fisheries organisations, to deal with the unreasonable actions of the Iceland Government and the Faroes. If they go ahead with this unilaterally declared total allowable catch, they will put a sustainable stock in a very dangerous position. I assure the hon. Gentleman that I am using every means I can to work with colleagues across the UK and with the Commission to make sure that this serious situation is dealt with. I agree that 90% of the relevant jobs are in the north-east of Scotland, which is why I am working closely with the Minister from the devolved Scottish Government on the issue.

Sheryll Murray (South East Cornwall) (Con): The Minister will know of my interest in fisheries. Will he confirm what discussions he plans to have with commercial fishermen in relation to any extension of special areas of conservation recently introduced, the introduction of marine-protected areas, and the introduction of no-take zones around our coast?

Mr Speaker: With particular reference to the mackerel quota, I remind the Minister.

Richard Benyon: Thank you, Mr Speaker. Of course, it is important to consider mackerel in relation to marine areas of conservation. Therefore, in the context of that species, as well as others, I will have close contact with all the four areas around our coast—how am I doing?—that are responsible for bringing forward these plans. I understand that the matter is causing great concern among fishing communities, which must take part in such schemes—I know that they are doing so, but they must continue. I have visited some of the areas—I will get round to all four of them—to ensure that their concerns are raised and to help to iron out any problems.

Food Labelling

11. **Andrew Stephenson** (Pendle) (Con): What plans her Department has to amend the food labelling standards for which it is responsible; and if she will make a statement. [14182]

14. **Alun Cairns** (Vale of Glamorgan) (Con): What plans her Department has to amend the food labelling standards for which it is responsible; and if she will make a statement. [14185]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): The Government have made a commitment to clear and honest food labelling. Our food labelling standards work remains focused on protecting consumers and enabling them to make informed choices, as well as ensuring a level playing field to promote the competitiveness of our food industry.

Andrew Stephenson: I thank the Secretary of State for that answer. Does she agree that it is important that consumers across the UK are able to see clear and honest food labelling, particularly in relation to the country of origin of meat and dairy products, so that they know where animals have been farmed?

Mrs Spelman: I absolutely agree with my hon. Friend. We are negotiating on the proposed EU food information regulation, to ensure clarity in food labelling for consumers, especially on country of origin. That will ensure that unprocessed meat can be labelled as British only if it comes from an animal born, reared and slaughtered in the UK. Processed foods labelled as being made here will also have to show the origin of their main ingredient if that is from outside the UK.

Alun Cairns: I am grateful to the Secretary of State for her answer. Will she go further and advise us how far she will push in the negotiations for the nations and regions of the UK to be reflected in labelling?

Mrs Spelman: The negotiations have been ongoing for about three years, as the right hon. Member for Leeds Central (Hilary Benn) will confirm, but under the Belgian presidency it is hoped that a political agreement will be reached by the end of the year. The discussion is about country of origin labelling; regional identification is already permitted on labels and is an important part of the Government's strategy to encourage the recognition and protection of good-quality regionally produced foods, with which all of us as consumers would readily identify.

Thomas Docherty (Dunfermline and West Fife) (Lab): Will the Secretary of State therefore speak to her Conservative MEPs to find out why they do not support food labelling through the European Parliament?

Mrs Spelman: With respect, I believe that Conservative Members of the European Parliament did support honesty in labelling, and that has been a Conservative party commitment for as long as I can remember. The European Parliament is currently considering compulsory country of origin labelling, and we have not ruled out the option.

Non-departmental Public Bodies

15. **Andrew Bridgen** (North West Leicestershire) (Con): What further plans her Department has to reduce the number of non-departmental public bodies for which it is responsible. [14186]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): The Government are committed to making substantial reforms to public bodies to increase accountability and reduce costs. I

have been looking closely to ensure that we deliver our priorities in the most efficient and effective way, and to enhance the role of the big society. I announced reductions in the number of bodies before the recess and will make further announcements this autumn.

Andrew Bridgen: Given the overlap of responsibilities and roles between the Environment Agency and Natural England, does my right hon. Friend agree that there could be scope to merge the two bodies and that considerable savings and efficiencies could result?

Mrs Spelman: My hon. Friend will have to await the final announcements that will be made this autumn. However, we have already had constructive discussions with Natural England and the Environment Agency, which has been very helpful in our quest for savings that will not involve compromising the front line. Reducing duplication between those organisations will obviously be one way of achieving that.

Emma Reynolds (Wolverhampton North East) (Lab): Given the recent suggestion that the Government will scrap the Commission for Rural Communities, the Sustainable Development Commission and the Royal Commission on Environmental Pollution, how on earth can Ministers come to the House and claim that this will be the greenest Government ever, and how will the functions performed by those bodies be taken over?

Mrs Spelman: If the hon. Lady examines our structural reform plan closely, she will see that we have incorporated the important issues of environmental protection and sustainable development in the Department's mainstream work. They are among its top three priorities.

The Commission for Rural Communities was established a long time ago. I am sure that the hon. Lady would acknowledge that there is a considerable depth of understanding of the issues of rural communities on this side of the House, and that DEFRA is the rural champion at the heart of Government.

Waste and Resources Action Programme

16. **Tony Baldry** (Banbury) (Con): When she next expects to meet the chief executive of the Waste and Resources Action Programme to discuss its work. [14187]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): My noble Friend Lord Henley has met Liz Goodwin and other representatives of WRAP on several occasions, and they have a good working relationship.

Tony Baldry: WRAP—which, with great perspicacity, has based itself in Banbury—does good work in developing markets for recyclable materials, but do my ministerial colleagues not feel that it is time to change its governance rules to make it easier for it to lever in, and work in partnership with, the private sector, so that over time private investment and funding can replace public funding?

Richard Benyon: As my hon. Friend says, there is a great deal of opportunity for further funding for this whole area. I applaud WRAP's work in promoting the Courtauld commitment and other arrangements with industry. The quick wins obviously involve larger companies such as Sainsbury's, which has come up with some very good ideas about food waste. We must now move on to the difficult stage of dealing with small and medium-sized companies, which will be a priority for the future.

Laying Hens

18. **Mr Stephen Hepburn** (Jarrow) (Lab): What recent representations she has received on beak-trimming of laying hens. [14189]

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): DEFRA completed a consultation exercise in April on an amendment to the Mutilations (Permitted Procedures) (England) Regulations 2007, introduced by my predecessor, the hon. Member for Poplar and Limehouse (Jim Fitzpatrick), which would remove the total ban on beak-trimming of laying hens to allow routine trimming to be carried out by the infrared technique only. All comments are currently being considered, and a summary will be published on the DEFRA website.

Mr Hepburn: May I urge the Minister to ignore the protests of the United Kingdom poultry industry, which is driven solely by profit, listen instead to the humane voices of those poultry farmers who have never engaged in this barbaric practice, and implement a ban from January?

Mr Paice: There is nothing wrong with having profit as a motive. That is the way in which this country operates.

As I said earlier, we must ensure that we do not make the welfare situation worse. Very few poultry producers do not de-beak their poultry, because of poultry's natural inclination towards feather-pecking and cannibalism. The Government want to see an end to it, but we are determined not to make the situation worse in the short term. That is why we are considering the results of the consultation carefully.

Supermarkets (Food Sourcing)

20. **Mark Menzies** (Fylde) (Con): What steps her Department plans to take to encourage local sourcing of food by supermarkets. [14191]

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): In response to growing consumer demand for local food, retailers have adopted buying policies aimed at increasing the availability of regional and local food on their shelves. I welcome that, and recognise the need to provide consumers with information on the provenance of the food that they buy. Clearer origin labelling is therefore a key commitment in the Government's programme.

Mark Menzies: I thank the Minister for her answer, but if small food producers are to be able to grow and supply the big supermarkets they must be able to develop their business, and one factor that holds them back is regulation and bureaucracy. What steps is the Department taking to strip out regulation in order to make it easier for such producers to grow?

Mrs Spelman: I know that my hon. Friend has long experience of working in the food retail industry and has a keen understanding of this issue, and therefore I would encourage him to participate in the work of the regulation taskforce, and to make his submissions to its chairman in a timely fashion so that, as far as possible, the burden of regulation can be alleviated without undermining the original intention for which it was created.

Unsold Food

21. **Penny Mordaunt** (Portsmouth North) (Con): What recent estimate her Department has made of the retail value of food discarded because it is unsold or unused; and if she will make a statement. [14192]

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): Studies by the Waste and Resources Action Programme estimate the cost of waste generated across the UK food and drink supply chain and by households at around £17 billion every year. It is estimated that the average household unnecessarily wastes around £480 of food per year. The waste policy review announced by the Secretary of State will look at policies surrounding food waste, to see what can be done to further reduce the amount that ends up in landfill.

Penny Mordaunt: Portsmouth is producing a recipe book focused on using leftover food in order to raise awareness of the issue, proceeds from which are donated to local charities. Will the Minister support such initiatives, and encourage his ministerial colleagues to donate recipes to the book?

Richard Benyon: I can already think of one recipe that I would be happy to donate; I will not share it with the House as Members on the Opposition Front Bench might be upset to know that it contains meat. My hon. Friend makes a serious point, however, and this builds on initiatives such as "Love food hate waste". I pay tribute to Portsmouth for coming forward with these ideas and I will certainly be interested, as will my noble Friend Lord Henley, in finding other instances where that has been done in a local area.

Topical Questions

T1. [14197] **Julian Sturdy** (York Outer) (Con): If she will make a statement on her departmental responsibilities.

The Secretary of State for Environment, Food and Rural Affairs (Mrs Caroline Spelman): My Department has responsibility for safeguarding the environment, supporting farmers and strengthening the green economy. In line with that, I am pleased to be able to tell the House that since the last topical questions my Department has started work on the natural environment White Paper, which will strengthen the UK's position as we approach the summit on biodiversity in Nagoya next month. This will be the first White Paper of its kind for 20 years and it will play a vital role in helping us to deliver our pledge to be the greenest Government ever.

Julian Sturdy: The Yorkshire region has long been known for its expertise in agricultural matters, and given that part of the Department for Environment, Food and Rural Affairs is already based in York I am keen to put forward a proposal to make York into a centre of excellence for agriculture matters, following the example of Montpellier in France. Will the Secretary of State agree to meet me to discuss that exciting proposal?

Mrs Spelman: I will be very happy to meet my hon. Friend, who shows a commendable desire to do his best for his constituency and region. I have to inform him that DEFRA has all around the country a large number of outposts, which, during the recess, the ministerial team—including me; I went to Worcester and Bristol—made a great effort to visit. That diversification is part of our resilience.

Hilary Benn (Leeds Central) (Lab): Given that DEFRA is an economic Department with very big European responsibilities, is it not astonishing that the Secretary of State is not listed as being a member of either of the Cabinet committees responsible—the Europe and economic affairs committees—whereas the Secretary of State for Communities and Local Government is a member of both and, moreover, appears to be making waste policy. Why has the Secretary of State allowed DEFRA's influence to be downgraded in that way, and how can the Department be at the heart of the Government when she is not even on the main Cabinet committees?

Mrs Spelman: I am very happy to inform the right hon. Gentleman that I have attended every single one of the economic affairs Cabinet committees. The structure of the Cabinet committee is about to be changed, so there will be a sub-committee of the Departments that have the most dealings with Europe. DEFRA, with 80% of its business determined at a European level, is one of those.

T2. [14198] **Elizabeth Truss** (South West Norfolk) (Con): Could the Secretary of State outline plans to reduce the number of organisations carrying out farm visits and inspections, which in south-west Norfolk includes Natural England, the Environment Agency and the Rural Payments Agency, as that places both a burden on farmers and a cost on the Exchequer?

The Minister of State, Department for Environment, Food and Rural Affairs (Mr James Paice): I am happy to agree with my hon. Friend, who represents, as I do, some of the most fertile land in the country in south-west Norfolk. She is absolutely right about the problem of multiple inspections. One of the challenges I have laid down to the Macdonald inquiry is to come up with a risk-based system and to merge the different inspection arrangements. By doing so, we can bring this all together and start to trust farmers. Concentrating inspections on a risk-based system will enable us to address those who are likely to be abusing the arrangements while trusting the vast majority who will not.

T4. [14200] **Nic Dakin** (Scunthorpe) (Lab): if she will make a statement on her departmental responsibilities. At the last International Whaling Commission meeting, a proposal that would have legitimised

commercial whaling for the first time in decades was rightly defeated. However, concerns were expressed about corruption and vote rigging prior to that meeting. Will the Government say what steps they are taking to eradicate those concerns?

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): I met the secretary-general of the IWC in Agadir and raised those points clearly with him, as we will continue to do. I was as alarmed as he was by the articles in *The Sunday Times*, and I remain absolutely convinced that, if the IWC is to have credibility, it has to sort out its governance problems.

T3. [14199] **Mr Peter Bone** (Wellingborough) (Con): The EU Budget Commissioner wants to abolish the UK's rebate, for which Mrs Thatcher fought so hard, on the grounds that farm payments have fallen as a percentage of the overall budget. If that happens, it will cost the United Kingdom £5 billion a year. Does the Minister have any advice for the EU Commissioner?

Mrs Spelman: I have a very clear view for the EU Commissioner, which was articulated by the Chancellor this week: the rebate remains fully justified, given the distortions in the EU budget. This is a matter of fairness for us, as the UK has the lowest per capita receipts. As 43% of the EU budget is spent on agriculture, our quest is also to seek genuine and ambitious reform of the common agricultural policy that will deliver good value for farmers, taxpayers, consumers and the environment alike.

Barry Gardiner (Brent North) (Lab): The coalition agreement stipulates that the Government will legislate to ban both the import and possession of illegal timber. The Secretary of State has recently made it clear that that commitment has been dropped in favour of the lesser European proposals. Has she discussed that with her coalition partners, and if so, with whom and when?

Mr Paice: We discuss these issues throughout the coalition regularly, so I cannot give a long list of "with whom and when". But it is perfectly correct that we believe that the EU due diligence regulation does fulfil the expectations and desires of the coalition on stopping the trade of illegally forested timber throughout the EU. Once formal agreement is reached in the next few weeks, we expect every country to adopt a very robust implementation process to ensure that it actually has teeth.

T5. [14201] **Tony Baldry** (Banbury) (Con): Up and down the country, local authorities are spending millions of pounds on introducing new waste incinerators. The authorities in Norfolk and Suffolk are spending £160 million each, whereas the authority in neighbouring Cambridgeshire is meeting its EU landfill directive obligations, using different technology, for just £41 million. Is the Minister confident and satisfied that incineration is appropriate technology for the 21st century and is giving good value for money?

Richard Benyon: That is certainly part of our waste review and it is also part of the Department for Communities and Local Government's review of the planning process, because that process must be at the heart of obtaining energy from waste. I hope that we can give assurances that the key driver in all these areas will be sustainable development, and how we manage waste will be at the heart of that. Energy from waste is part of the mix, but it must always remain a less-favoured solution than recycling. These matters have to be resolved locally, but the Department can provide a clear driver and clear strategy.

Mr Eric Illsley (Barnsley Central) (Lab): Does the Minister accept that we could improve on the amount of material that we recycle, particularly glass and paper, if there were less contamination within the collection systems? Does he have any proposals to improve the myriad different collection systems used by local authorities throughout the country?

Richard Benyon: I have seen the waste system in place around the country described as "anarchic". Inevitably, local priorities will dictate how waste is managed, and rightly so; we do not want to prescribe from Whitehall how local authorities should prioritise areas of recycling. We set very high targets and we are determined to fulfil those. I can assure the hon. Gentleman that that precise matter will be part of the review, and that he, the Select Committee on Environment, Food and Rural Affairs and others will be able to hold us to account on it.

T6. [14202] **Damian Collins** (Folkestone and Hythe) (Con): Although arable farmers in Romney Marsh in my constituency have had an excellent harvest, what is left of the dairy sector continues to struggle, particularly with high fuel and feed costs. What measures are being considered by the Minister's Department to support and sustain the UK dairy industry?

Mr Paice: I entirely follow my hon. Friend's concerns. The dairy industry has fallen back dramatically over the past few years, but I am delighted to say that in the past few months there has been a small upturn in production, which is good. It is quite clear that the industry has a long way to go in some quarters. What concerns me most is the huge range of prices being received by dairy producers—in the liquid retail trade, prices are very high but for those in the processed area of trade, they are very low. The role of Government is to help farming to become more competitive, and that is what we are determined to do.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Do the Government intend to extend their big society ethos by keeping the previous Labour Government's commitment to completing the English coastal path?

Richard Benyon: We have said that we will continue the cross-party agreement that we had during the progress of the Bill to develop the coastal path. We have identified four areas in which it is being proceeded with, one of which is close to the Olympic site in Weymouth. Inevitably, it is a 10-year proposal and £50 million has been put into the budget for that over those 10 years. We will see which priorities exist over that 10-year period.

T7. [14203] **Priti Patel** (Witham) (Con): D. A. Clough and Son in my constituency has 12,000 laying hens and employs 10 people. Will the Minister reassure those people that he will vigorously oppose any attempt made by other EU member states to weaken their

obligations under the laying hens directive, which would disadvantage British producers? Will he also consider measures to support British producers who are struggling to meet the costs of compliance?

Mr Paice: My hon. Friend puts her finger on an extremely important issue. The British egg industry has invested a very large sum of money in bringing its production systems in line with the obligations that will come in at the end of next year. It is a great tragedy that some other European countries appear not to have done that. We are delighted that the European Commission rejected the application for a derogation by Poland and we will be very robust in supporting the Commission against any other applications for a derogation. If the situation is maintained, we will press the Commission to ensure that there is protection for those farmers who have made that investment.

Katy Clark (North Ayrshire and Arran) (Lab): The Minister will be aware of the concerns that are being raised about scallop dredging and the devastating impact that it has had on certain parts of the marine environment, particularly in the Clyde. Is any consideration being given to banning such practices or placing restrictions on them?

Richard Benyon: The hon. Lady probably saw the "Panorama" programme that touched on that subject, which starkly showed some of the problems. However, there are many areas of the seabed where scallop dredging is a perfectly legitimate and sustainable activity and does little or no damage. It has to be managed, but when we ban scallop dredgers from certain areas we have to remember that displacement can cause further problems elsewhere. That is why the marine strategy is so important: we can now zone different parts of the seas for different activities for a legitimate and, where possible, sustainable industry such as the production of scallops.

T8. [14204] **Anne Marie Morris** (Newton Abbot) (Con): We have seen in recent weeks just how important the flooding issue is internationally. It is clearly, from what we have heard in the House this morning, an important national issue. In my constituency of Newton Abbot we have had some severe flooding incidents in 2004 and 2008. Teignmouth has been particularly badly affected and flood prevention works are taking place in Shaldon. Now would be exactly the right time for a green light to be given to the proposed plans for flood prevention work in Teignmouth. I would be grateful for the Minister's assurance that he will give that very careful consideration.

Richard Benyon: My hon. Friend is right to raise concerns on behalf of the residents of the 413 properties in Teignmouth that are at risk of rapid tidal flooding. There is a procedure going on with the Environment Agency for a £4.7 million scheme, which is at an advanced stage of planning. I am happy to meet her. I understand that, if all proceeds well, construction can start in the winter of 2011.

Thomas Docherty (Dunfermline and West Fife) (Lab): Does the Secretary of State plan to invoke The Hague preference to favour the under-10 metre sector at this autumn's Fisheries Council?

Richard Benyon: Not unless we have to, but I assure the hon. Gentleman that invocation of The Hague preference will be done in full consultation with partners from all devolved Assemblies. It was done last year to support fishermen in the north-east of England and I recognise how important that was for them. I recognise also the concerns expressed by those in Scotland about the way it was done and I want to consult very openly on that.

Roger Williams (Brecon and Radnorshire) (LD): I draw the House's attention to my entry in the Register of Members' Financial Interests. Farmers are very keen to face up to the challenge of producing more food while impacting less on the environment and delivering the public goods of biodiversity, landscape conservation, water management and carbon sequestration, but they need a lead from the Department. When can farmers look forward to having that lead so that they can carry out those vital works?

Mrs Spelman: I thank my honourable ally for that question. I refer him to the No. 1 priority in the Department's structural reform plan which is precisely to support the British food and farming sectors to produce food in a sustainable way that also protects the environment.

Kerry McCarthy (Bristol East) (Lab): Further to the response that the Secretary of State gave me earlier, does she believe that keeping cows indoors in cubicles for more than 10 months of the year when they are in milk, milking them three times a day instead of the usual two and their having an average lifespan of five years, as opposed to the natural lifespan of 20 years, is compatible with good animal welfare standards?

Mr Paice: I suggest that the hon. Lady should learn a little about dairy farming. In the natural world a calf suckles its mother many times a day, so milking three times a day instead of twice is hardly a welfare problem.

Of course I recognise that there are concerns about that issue—that is why DEFRA has commissioned a three-year study by the university of Edinburgh into housing cattle all year round. That report is due next year and obviously we will study it carefully.

T9. [14206] **George Freeman** (Mid Norfolk) (Con): I am sure that the Minister will agree that our agricultural and food research sector is a vital platform for both sustainable production and unlocking huge new markets around the world. Will the Department comment on the recent Taylor review and the excellent recommendations it has made?

Mrs Spelman: I thank my hon. Friend for that question, which allows me to place on the record our very grateful thanks to Lord Taylor, whose experience of working in the horticultural industry has been invaluable in the preparation of the report. It was commissioned while my party was in opposition, was not officially commissioned by the Government and therefore cannot be published as a Government report. However, my Department's response will be published officially and shortly.

Business of the House

11.33 am

Ms Rosie Winterton (Doncaster Central) (Lab): Will the Leader of the House give us the forthcoming business?

The Leader of the House of Commons (Sir George Young): The business for the week commencing 13 September will include:

MONDAY 13 SEPTEMBER—Second Reading of the Fixed-term Parliaments Bill.

TUESDAY 14 SEPTEMBER—Second Reading of the Equitable Life (Payments) Bill, followed by motion relating to the House of Commons Commission.

WEDNESDAY 15 SEPTEMBER—Motion to approve Ways and Means resolutions on which a Finance Bill will be introduced, followed by remaining stages of the Identity Documents Bill.

THURSDAY 16 SEPTEMBER—General debate on the strategic defence and security review and future of the UK's armed forces. The subject for this debate was nominated by the Backbench Business Committee.

The provisional business for the week commencing 11 October will include:

MONDAY 11 OCTOBER—Second Reading of the Finance (No. 2) Bill.

TUESDAY 12 OCTOBER—Proceedings on the Parliamentary Voting System and Constituencies Bill (Day 1).

WEDNESDAY 13 OCTOBER—Remaining stages of the Superannuation Bill, followed by, the Chairman of Ways and Means is expected to name opposed private business for consideration.

THURSDAY 14 OCTOBER—Business nominated by the Backbench Business Committee.

The provisional business for the week commencing 18 October will include:

MONDAY 18 OCTOBER—Proceedings on the Parliamentary Voting System and Constituencies Bill (Day 2).

Colleagues will also wish to know that subject to the progress of business, the House will rise for the Christmas recess on Tuesday 21 December 2010 and return on Monday 10 January 2011.

I should also like to inform the House that the business in Westminster Hall for 16 September will be:

THURSDAY 16 SEPTEMBER—A debate on the international year of biodiversity.

I am sure that the whole House will wish to join me in sending our condolences to the Prime Minister on the recent death of his father.

Ms Winterton: I thank the Leader of the House for announcing the business. On behalf of Her Majesty's Opposition, I, too, offer our sincere condolences to the Prime Minister and his family at this very sad time.

As the Leader of the House knows, a number of Ministers made announcements during the recess that should properly have been made in the House, and they have since had to be rather dragged here to explain what they have been up to. We know that the Secretary of State for Education likes quite a few goes at getting his figures right, not least when he is announcing cancelled school building projects, but the Opposition are incredulous that after all the hype and kerfuffle the figures he finally released for free schools and academies were only 16 and 32. Can the Leader of the House tell us whether he has been asked to find time for a statement—maybe two or three statements—so that the Secretary of State for Education can confirm that he has not got into another muddle and that the figures he has come up with are indeed accurate?

Given the speech made by the Deputy Prime Minister this morning, presumably in response to the BBC reporting of the effects of the cuts on the regions, is the Leader of the House expecting a statement from the Deputy Prime Minister so that he can confirm that under the Labour Government £1.5 billion per year was to be made available to the regions through the regional development agencies, whereas under the Conservative-Liberal Democrat Government the regional growth fund is £1 billion over two years? In anyone's language this is not extra support for the regions, it is a massive cut, and the Deputy Prime Minister should admit that to the House.

With regard to the allocation of time for the Parliamentary Voting System and Constituencies Bill, can the Leader of the House tell us whether he thinks there will be adequate time to put right the abject failure of the Deputy Prime Minister to explain why public inquiries into parliamentary constituency changes are to be abolished? It was fairly clear on Monday that the Deputy Prime Minister has employed the services of the Tory grandee "Sir Gerry Mander" as his special adviser, but surely even he must realise that removing the right of local people to have a say in constituency boundaries is not only wrong in principle, but will lead to endless expensive judicial reviews in the courts.

We now have clear advice from the Clerk of the House that the Fixed-term Parliaments Bill is similarly ill thought-out and will also end up being challenged in the courts. Those two Bills are prime examples of the betrayal of the promise of the Conservative-Liberal Democrat Government to have pre-legislative scrutiny wherever possible. Worse than that, they are in the first case anti-democratic and in the second case unworkable. The only thing the Leader of the House should do is withdraw those Bills, go back to the drawing board and come back with legislation that respects our democracy and respects Parliament. I urge him to do so.

Sir George Young: I thank the right hon. Lady for what she said at the beginning of her remarks. I know the Prime Minister will be reassured by what the whole House has said.

On statements, the code that the right hon. Lady refers to says that while the House is sitting statements of major changes in policy should first be made to the House. We propose to adhere to that policy. It does not apply, of course, when the House is not sitting, when the business of government continues. We also went out of our way to bring before Parliament as many statements as we could before the House adjourned for the summer recess. Unlike the previous Government we have brought the House back in September so that we are held properly to account and we do not have the very long recesses she enjoyed when she was a Minister.

On academies, I should hope that the right hon. Lady would congratulate the Government on the swift progress that the Secretary of State for Education has made in getting the Academies Bill through the House and

[Sir George Young]

academies up and running. More than 200 schools will become academies this year, and that compares with the four years that it took to open the first 30 academies and the five years that it took to open 15 city technology colleges. More than 200 schools are in the pipeline to become academies, so, far from decrying the slow progress she should welcome the swift, ambitious progress that this Government have made to bring higher standards of education to the nation's children.

On regional development, I hope that the right hon. Lady heard what the mayor of Middlesbrough said on the "Today" programme. He made it absolutely clear that over the past 15 years his city had become over-dependent on public expenditure, and he was determined to rebalance the city's economy. He was not asking for huge sums of Government money; he recognised that it was up to himself and the citizens of Middlesbrough to rebuild the economy so that it was less dependent on public sector expenditure. On top of the £1 billion growth fund, there are the incentives, through the national insurance rebates, for new businesses to relocate to those areas that benefit from the scheme.

On the programme motion, I am astounded that the right hon. Lady says that seven days—seven days!—on the Floor of the House for the boundaries Bill is not adequate. We had one day on the alternative vote under the previous Government; we are giving seven days on AV and boundaries. I am absolutely convinced that, in the five days on Report and the two days on remaining stages, she will have ample time to press the Government on the issues that she raised, such as the timetable for inquiries.

Finally, I welcome the fact that the Political and Constitutional Reform Committee is looking at the Fixed-term Parliaments Bill, and I, like the right hon. Lady, have seen the evidence that the Clerk of the House gave to the Committee. I assume that the Committee, later on in its inquiry, will invite Ministers also to give evidence, so that they can respond. There will be an opportunity on Monday, when we have the Bill's Second Reading, for Ministers to respond to the points that have been made, and I just remind the right hon. Lady that Professor Robert Hazell said:

> "A related question is whether there could be recourse to the courts to enforce the requirements of a fixed term law. The probability is that they would consider the issue to be non-justiciable: an obligation to be enforced in the political but not the legal sphere."

This may disappoint the right hon. Lady, but the Government have no intention whatever of withdrawing either Bill. We believe that they are in the long-term interest of the country, and we will get them through both Houses as soon as we can.

Several hon. Members *rose*—

Mr Speaker: Order. There is important Back-Bench business to follow and real pressure on time, so I issue an appeal, beyond the ordinary appeal, for brevity if we are to maximise the number of contributors. A fine example of that brevity is to be provided, first, by Mr Edward Leigh.

Mr Edward Leigh (Gainsborough) (Con): Traditionally, Conservative Governments have never programmed constitutional measures, and, as my right hon. Friend the Leader of the House has made clear, there was savage programming during the previous Parliament. He has allowed seven days, but can he give an assurance that the Government will use their best endeavours to ensure that all the most important points are covered, and in particular that there is time to debate and vote on thresholds?

Sir George Young: Having allocated seven days for consideration of the Bill, I very much hope that the House will use that time intelligently. It would of course be open to the Government, if that were the wish of the House, to ensure that we reached certain matters by including programme motions. We are reluctant to do that at this stage. We believe that the House will use the seven days intelligently and to best advantage. If there is any sign of mischief and any determined efforts to slow down progress, we will of course have to think again.

Mr George Howarth (Knowsley) (Lab): The Leader of the House was uncharacteristically dismissive of the concerns of my right hon. Friend the Member for Doncaster Central (Ms Winterton) about the Fixed-term Parliaments Bill, which we will debate on Monday. Does he genuinely, when he is in his more reflective mode, not think that there is a very strong case for the pre-legislative scrutiny of a measure that, at the very least, is controversial and, at worst, might end up placing the fate of any given Parliament in the hands of the judiciary? Surely that cannot be right.

Sir George Young: I very much hope that against the background of the timetable that I have outlined, the Political and Constitutional Reform Committee will have time to complete its inquiry and report to the House on the Fixed-term Parliaments Bill. I welcome the fact that it is conducting this inquiry, and I am sure that it will inform our debate. I am committed to draft legislation. However, I hope that the right hon. Gentleman understands that at the beginning of a new Parliament, with a new Government, it is not possible, if one is to make progress, to put everything in draft, particularly when commitments have been made to do certain things by a certain time. Those political imperatives sometimes override the ambition that both he and I have to subject all Bills to draft scrutiny.

Tracey Crouch (Chatham and Aylesford) (Con): During the recess, BBC South East reported on bogus charity collectors operating in my constituency. Given the growing, serious and organised nature of this crime, which deprives charities of millions of pounds a year, may I draw the Leader of House's attention to early-day motion 689?

[That this House condemns the activities of fraudulent charity clothing bag collectors who abuse the goodwill of those who donate clothes for good causes; recognises that this organised crime is becoming a nationwide issue; expresses concern that these activities undermine the valuable work of genuine charities, depriving them of millions of pounds worth of donations per annum; and calls on the Government to ensure that local police authorities tackle the criminal gangs responsible and facilitate the strict enforcement of the House to House Collection Act 1939 and punishment of those found in breach of the Act.]

Will the Leader of the House consider allocating parliamentary time for an urgent debate on this issue?

Sir George Young: I commend my hon. Friend on her initiative in tabling this EDM and drawing to the wider public attention the activities of criminal gangs who are not only defrauding legitimate charities of income but casting a question mark over the authenticity of genuine collections because of the bogus ones. The Chairman of the Backbench Business Committee will have heard her plea for parliamentary time. In the meantime, I hope that the police and local authorities' trading standards officers will give this activity the attention it deserves.

Natascha Engel (North East Derbyshire) (Lab): Further to the announcement of the next slot of Back-Bench business on 14 October, is the Leader of the House aware that, for the first time as a Backbench Business Committee, we will be taking representations from Back Benchers directly and in public on Wednesday 15 September—next Wednesday—at 5 pm? May I take this opportunity to urge all Members to make direct representations to the Committee so that we can determine what topic is most suitable for debate on that day?

Sir George Young: I am very grateful to the hon. Lady, who is acting as a lightning conductor for the many bids that I get to find time for debates. I welcome this initiative. I hope that she can write to hon. Members as well as making that statement in the House. I congratulate her on the innovative way in which she is chairing her Committee and broadening to a wider public the discussion about what issues should be debated.

Mr David Nuttall (Bury North) (Con): Although the Fixed-term Parliaments Bill seeks to determine the length of future Parliaments, will the Leader of the House please confirm that if the Bill is passed the ensuing Act will have no special status and could in fact be repealed by a future Parliament?

Sir George Young: My hon. Friend is absolutely right. No Parliament can bind its successor, and it would be open to any new Parliament to repeal legislation that had been passed by this one.

Mr David Winnick (Walsall North) (Lab): In view of the impact of spending cuts on boroughs like mine, which was mentioned on the wireless today arising from a survey which had been undertaken—*[Laughter.]* There is nothing amusing about imposing spending cuts on those with the lowest incomes and the impact that it is having not only in my borough but throughout the west midlands. Would it not be right to have a debate as quickly as possible on this subject? Once again, a Tory Government are attacking the very people with the lowest incomes. It is disgraceful, and the spending cuts should certainly be reconsidered.

Sir George Young: Of course I understand the strong feelings that the hon. Gentleman expresses. The Government are determined to protect the most vulnerable from the difficult decisions that we are going to have to take—decisions made necessary by the activities of a Government whom he supported.

Mr Mark Williams (Ceredigion) (LD): Mrs Ashtiani is still languishing, four years on, in a jail in Iran. She has endured 99 lashes. Will the Leader of the House give us time for a debate to discuss her plight in the wake of the excellent motion in the European Parliament, which was carried 668 to nil in support of Mrs Ashtiani? Can we have a debate to discuss her plight and human rights in Iran more generally?

Sir George Young: The hon. Gentleman draws a very serious issue to the House's attention. He may have seen the Foreign Secretary's statement, which made it absolutely clear that we deplore the actions of the Iranian Government in proposing to execute that lady. I hope that there may be time, through either the Backbench Business Committee, questions or the activity of the Foreign Affairs Committee, to add weight to the representations that have already been made, and I know that everybody in the House hopes that the life of that lady may be spared.

Mr Mike Weir (Angus) (SNP): The Leader of the House will be aware of the continuing problems that parents with care have in obtaining child maintenance from some absent parents who are self-employed or company directors and are able to reduce their income artificially. May we have a debate on what more can be done to tackle that problem, and particularly on what changes are necessary to the application and determination procedure in the Child Support (Variations) Regulations 2000?

Sir George Young: I think every hon. Member hears cases at their advice bureau in which an absent parent is accused of under-declaring their income, and if they are self-employed it is very difficult for the Child Support Agency or its successor organisation to verify that. That results in real hardship for the parent with the children. One possible way forward is that the new Select Committee on Work and Pensions may wish to revisit the subject. Alternatively, if the Backbench Business Committee receives sufficient representations, it may wish to find time for a debate. The subject for 14 October has not yet been allocated. I agree entirely that the issue needs to be addressed, because it comes up in all our advice bureaux.

Mark Lancaster (Milton Keynes North) (Con): May we have a debate on houses in multiple occupation? Three years ago, in a debate in Westminster Hall, I expressed my concern about the potential for fire in such properties, and sadly last weekend my worst fears were realised when a mother and her three-year-old daughter burned to death in my constituency. From 1 October, the Government intend to give local authorities greater latitude in granting such properties. Can the Leader of the House reassure me and the House that, when that is done, there will be no compromise on safety?

Sir George Young: I was very sorry to hear of the loss of life in Milton Keynes over the weekend. There will be housing legislation, which may provide an opportunity to revisit the issue. In the meantime, as a former Housing Minister, I would say that we do not want to do anything that makes life in HMOs more dangerous.

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I, too, listened this morning to the BBC's announcement of the findings of its study carried out by Experian, on my digital radio. I was extremely concerned about the impact of those findings and should like to add weight to the request for the Leader of the House to make time for an extremely important and urgent debate on the issue, because the study showed

[Catherine McKinnell]

clearly that the Government's programme of cuts will have a disparate impact on regions such as my own, the north-east.

Sir George Young: I understand the hon. Lady's strong feelings about her constituency. The best response I can give is that there will be a statement on 20 October on the outcome of the comprehensive spending review, and I imagine that there will be a debate on it. That will provide the right opportunity for her to share her concerns with the House and for the Government to respond to them, when we have the facts before us on exactly which programmes are being maintained and which are being reduced.

Nicholas Soames (Mid Sussex) (Con): Will my right hon. Friend see what can be done to have a debate to discuss the serious problems of doctors' hours and of the training programmes for nurses, teachers and many others, which are clearly not satisfactory?

Sir George Young: I am grateful to my hon. Friend for raising the issue. He may have seen a series of articles in *The Times* that have vividly illustrated the problems that face us. We are well aware of the concern about the effect on postgraduate medical training of implementing the European working time directive, and in the coalition agreement, the Government are committed to limiting the application of the EWTD in the UK. Negotiations will start early next year, and the Department of Health and the Secretary of State for Business, Innovation and Skills will adopt a robust negotiating position.

Jim Sheridan (Paisley and Renfrewshire North) (Lab): May we have a debate on what is now known as the Cyprus problem? The Prime Minister met the Turkish authorities recently and spoke warmly about their ambition to join the European Union, but he forgot to mention Turkey's illegal occupation of northern Cyprus. A debate would provide an ideal opportunity to remind both our own Government and the Turkish Government of their responsibilities should they wish to join the EU.

Sir George Young: The hon. Gentleman makes a serious point. I do not know whether he will have an opportunity to raise it at Foreign Office questions, but I am sure that the Chair of the Backbench Business Committee will have heard his bid for a debate on that serious issue.

Duncan Hames (Chippenham) (LD): Many new Members have entered the House since the climate change talks in Copenhagen. When may we have a debate on proposals for the Mexico conference later this year, so that the Government's negotiations can be informed by Members at an early stage?

Sir George Young: The hon. Gentleman makes a really serious point and an important bid. If he is not doing anything on Wednesday at 5 o'clock, he might like to present himself to the Committee of the hon. Member for North East Derbyshire (Natascha Engel) and repeat his eloquent plea for a debate well in time before that conference takes place.

Mr Chuka Umunna (Streatham) (Lab): Throughout the general election campaign, the Deputy Prime Minister campaigned against the irresponsibly swift and deep public spending cuts that his Government are now pursuing. In June, he said that he had changed his mind as the result of a conversation with the Governor of the Bank of England after the general election, but during the recess it transpired in a BBC documentary that he had in fact changed his mind before the general election. May we have a statement from the Deputy Prime Minister to explain why he did not think the electorate were entitled to know his change of position before the general election?

Sir George Young: I reject the hon. Gentleman's allegation that the Deputy Prime Minister misled anybody in any way during the election campaign. I have heard the Deputy Prime Minister explain that the events in Greece, for example, changed his perception of the right thing to do for the UK economy. In any case, he appears regularly at the Dispatch Box and I am sure he would be only too anxious to answer the hon. Gentleman's question.

Robert Halfon (Harlow) (Con): Will the Leader of the House consider a fuller debate on covert surveillance, following my early-day motion 697?

[That this House is concerned by the moral hazard involved in covert surveillance by local councils; regrets that this was enabled and encouraged by the previous Labour Government's Regulation of Investigatory Powers Act 2000; notes that freedom of information requests by the organisation BigBrotherWatch have revealed that in the last two years alone, local councils have carried out over 8,500 separate covert surveillance operations under this legislation, which is equal to over 11 new surveillance operations every day; further notes that the previous Labour Government encouraged this through deliberate policy, and thereby created a culture of surveillance, where an individual's right to privacy was significantly eroded; and therefore welcomes the new Government as it stands firm in restoring Britain's ancient freedoms and civil liberties.]

Research by Big Brother Watch has shown that local councils have authorised more than 8,500 covert surveillance operations in the past two years, using the previous Government's legislation. Does my right hon. Friend agree that if the House is to debate surveillance, we should discuss the major and real threats to our civil liberties?

Sir George Young: I am grateful to my hon. Friend for raising that. It is important that surveillance powers are used proportionately and for the purposes for which they were designed. The Government are committed to reviewing counter-terrorism and security powers, and later in the Session there will be a so-called freedom Bill, which will provide a proper opportunity to examine how local authorities are using those powers and, if necessary, curtail them.

Paul Blomfield (Sheffield Central) (Lab): I am sure the whole House will share my concern about the plans of the Rev. Terry Jones of the Dove World outreach centre in Florida to organise a public burning of the Koran on Saturday. Might we expect a Government statement along the lines of that of the US Government, condemning that action?

Sir George Young: I think the man is a stupid bigot.

Mr Speaker: An admirably pithy reply from the Leader of the House, for which we are grateful.

Mr Tobias Ellwood (Bournemouth East) (Con): I cycled into Parliament this morning only to be greeted by the sight of yet another protester who had breached security and remains, as we speak, on the scaffolding on the side of the building. I then approached the police who were standing underneath and asked why an arrest had not been made. They gave that ubiquitous British justification for inertia—health and safety. I then offered to go up myself and make a citizen's arrest, and was told to move on or I would be arrested. It is a strange day indeed in Parliament when an MP is threatened with arrest while a protestor sits on our roof having breached security. May we have a statement on the security priorities for this House?

Sir George Young: I commend my hon. Friend for his robust response to the constabulary. Had he been arrested, all sorts of issues might have been raised if he was going about his parliamentary duties. I very much regret that there has been another breach of security in the Palace. I understand that the police are doing what they can to remove the placards and protestors, but obviously they want to do so without injury if they can.

Chris Leslie (Nottingham East) (Lab/Co-op): Might time be found for a debate, in either Government or Back-Bench time, to raise awareness among all our constituents of the housing benefit reductions, and especially the change coming in next October? Although it might sound like a complex change to move from setting the rate at the 50th percentile of regional rent to the 30th, nearly 6,000 of my constituents will have a sudden cut in their housing benefit, with massive implications for homelessness and disruption.

Sir George Young: As a former Housing Minister, I am of course concerned about what the hon. Gentleman says. The fact is that in 2004-05, expenditure on housing benefit was £10 billion. If no action were taken, that would go up to £20 billion within 10 years. That is simply unsustainable, as is the fact that people can claim and are claiming £100,000 a year in housing benefit. At the moment, working families, through their taxes, pay the housing benefit of families who live in better-quality accommodation. That is also unsustainable, which is why we are introducing proposals to restrain the increase in housing benefit, but there will be discretionary payments and transitional arrangements. There will be an opportunity to debate the matter at greater length when legislation is before the House.

David Tredinnick (Bosworth) (Con): Will my right hon. Friend update the House on the situation in Parliament square? Apart from the protester on the pavement, when will the rest of the square be cleared of demonstrators and when will it be open to the public?

Sir George Young: I agree with my hon. Friend that the current position is unsatisfactory. Although the protesters have been moved from the square, they are now encamped on the pavement, which is unacceptable and unsustainable. I accept the right to protest, but we cannot have permanent encampments on the pavement. Legislation will be introduced following discussions with Westminster city council and the Metropolitan police in order to put that right. I hope that the legislation introduced by this Government succeeds where that introduced by the previous Government manifestly failed.

Jon Trickett (Hemsworth) (Lab): When do the Government intend to proceed with their ridiculous proposal to give away or privatise the whole of Royal Mail? Will he indicate to the House that no statement will be made by any Minister outside the House on such a decision until such time as the House has been informed?

Sir George Young: There will be proposals for legislation on Royal Mail. I cannot give a specific guarantee on exactly when those will be made, but of course I will seek to do what I can to ensure that the House is sitting when that happens.

Mr Ian Liddell-Grainger (Bridgwater and West Somerset) (Con): My hon. Friend is aware that one of the biggest infrastructure projects in this country—the Hinkley Point nuclear power station—is about to begin in my constituency. However, there is an anomaly in planning legislation, namely the Government's ability to help us on planning gain for local communities. We are on phase 2 of the discussions at the moment, and my worry is that unless that is sorted out, when every major infrastructure in this country goes before the Infrastructure Planning Commission, local communities will say, "We don't want this project because of the anomaly in getting money for the local area."

Sir George Young: My hon. Friend raises an important but rather technical point about the IPC, which I think we are going to abolish. I should like to raise the issue that he mentioned with the Secretary of State for Communities and Local Government, and urge the latter to give a swift response.

John Cryer (Leyton and Wanstead) (Lab): Further to the question asked by my right hon. Friend the Member for Doncaster Central (Ms Winterton), we need an urgent debate on Building Schools for the Future. The problem has been rumbling on for three months, and I have seven cancelled projects in my constituency. This is not a party political issue because it affects those on both sides of the House. I suspect that the Leader of the House, who has always demonstrated a lot of faith in this place, also wants a debate.

Sir George Young: To some extent, the future of that programme is tied up with the comprehensive spending review, but the Select Committee on Education is holding an investigation into BSF. That might be the right vehicle by which the hon. Gentleman can pursue his interest.

Emma Reynolds (Wolverhampton North East) (Lab): There is concern on both sides of the House about human trafficking. Women are trafficked into our country, forced into prostitution and kept like slaves by pimps. It is therefore astonishing and distressing that the Government have refused to opt in to a European directive to combat that horrendous crime. Will the Leader of the House therefore grant a debate on that modern form of slavery?

Sir George Young: I understand the hon. Lady's concern, but I think I am right in saying that the Home Secretary responded to exactly that point just a few days ago. She said that what really mattered was the

[Sir George Young]

legislation in this country rather than automatically following what the EU has prescribed. She gave a robust response and made it absolutely clear that that activity is unacceptable, and that we will do all we can to stop it.

Daniel Kawczynski (Shrewsbury and Atcham) (Con): I am pleased with the appointment of the new trade Minister, Mr Green, and hope that he will focus on exports to the middle east, where there are huge opportunities for British firms. However, may we have a debate specifically on how Parliament, Members of Parliament and the Government can help small and medium-sized businesses to export?

Sir George Young: I, too, welcome the appointment of the new trade Minister. I am not sure whether the Government can find time for a debate, but my hon. Friend has had remarkable success—if I may say so—in his bids for debates in Westminster Hall, and he might like to try his luck again on that one.

Dr Julian Lewis (New Forest East) (Con): May we have a statement from the Foreign Secretary on the future of the BBC World Service, and in particular on the future of the BBC Russian Service? It has not been above criticism in the past, but if it were to disappear completely, we would never get the frequencies back for broadcasts.

Sir George Young: My hon. Friend makes a good point, and the World Service is respected throughout the world. I will certainly pass his concerns on to the Foreign Secretary. The issue may well not be resolved until the CSR is finalised.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Does the Leader of the House agree that the House urgently needs to debate the balance of trade in relation to the process industry in the north-east? Also, given that the BBC today reported that areas such as Middlesbrough, Redcar and Stockton are the least resilient to the Government's potential cuts, is it not paramount that we debate the process industry in, and exports from, that area, particularly in relation to the Government's plan for a reduction of regional aid?

Sir George Young: The hon. Gentleman has, like others, touched on the CSR. We did not want to make those reductions; we inherited the need to implement them. I support his idea of a debate on export opportunities for industries in the north-east. Perhaps the hon. Member for North East Derbyshire (Natascha Engel), the Chair of the Backbench Business Committee, can add that to her list. However, if we debate the CSR, the hon. Gentleman will have the opportunity to make his points on Government policies on those matters.

Priti Patel (Witham) (Con): The Leader of the House might be aware of the immense distress caused to the family of the victims of the Jeremy Bamber murders by the recent media interview he gave, which was allowed by the Ministry of Justice. May we have a debate in Government time on the impact of prisoners and mass murderers such as Bamber, who are serving whole-life tariffs and life imprisonment, being granted access to the media, so that victims of such crimes can be protected?

Sir George Young: It cannot be right that those who have been sentenced to imprisonment for serious crimes such as murder should then from prison be allowed to cause distress to the relatives of their victims. I will certainly raise the case to which my hon. Friend refers with the Justice Secretary and ask him to write to her.

Maria Eagle (Garston and Halewood) (Lab): While the Leader of the House is talking to the Justice Secretary, will he ask whether he can make an early statement on the Government's policy on continuing the previous Administration's effort to divert vulnerable women and girls from custody? So far, we have heard warm words from Justice Ministers, but absolutely no detail on their plans. That silence is beginning to cause concern, so I would be grateful for an early statement.

Sir George Young: I hope that the hon. Lady shares her concerns the next time the Ministry of Justice ministerial team come before the House—that seems to be the right vehicle—but certainly there is no question of this Government resiling from the initiatives to which she refers.

John Stevenson (Carlisle) (Con): I understand that the appointment of the head of the Office for Budget Responsibility is to be approved by the Treasury Committee. Do the Government plan to allow any other important Government appointments to be approved by other Select Committees?

Sir George Young: My hon. Friend asks a good question. Under the previous Government, a whole range of public appointments were made subject to the appropriate Select Committee validating or commenting on them—an extra tranche of names was added towards the end of the previous Parliament. We will certainly keep that under review. We are anxious that Select Committees have a role to play in key public appointments.

Vernon Coaker (Gedling) (Lab): Will the Leader of the House find time for a debate or statement on the answering of written parliamentary questions? In July, I tabled a number of named day questions to the Department for Education, but they were not answered before the recess. I returned to Parliament after the recess expecting all of them to be answered on 6 September, but not all were. I would appreciate his help in getting them answered. We know the difficulties that that Department has at the moment, but answering written questions, which gives MPs the information we need to hold the Government to account, is essential.

Sir George Young: I apologise if there has been any discourtesy to the hon. Gentleman because his questions have not been answered promptly, and I will pursue the issue later today with my colleagues.

Andrew Percy (Brigg and Goole) (Con): Over the summer I met the representatives of several businesses in east Yorkshire and north Lincolnshire who, having survived Labour's recession, are now in a difficult position in relation to their banks and obtaining loans. One particular allegation put to me by those businesses was that banks were refusing to entertain full applications so that their refusal rates, which are published, were not affected. The lending requests were being refused at the

pre-application stage. May we have an urgent debate on that matter so that businesses in my area can be assured that the Government are on their side?

Sir George Young: In advance of any debate that we may have on that issue, I wish to draw my hon. Friend's remarks to the attention of both the Chancellor of the Exchequer and the Secretary of State for Business, Innovation and Skills to see whether those matters can be addressed in the dialogue that they have with the banks. I know that other hon. Members have had the same experience that he has just recounted.

Joan Walley (Stoke-on-Trent North) (Lab): Given the Leader of the House's reply to my hon. Friend the Member for Middlesbrough South and East Cleveland (Tom Blenkinsop) about the regional development fund, the importance of the comprehensive spending review and the BBC's report today about the biggest cuts since the second world war, is it not the case that we need a debate about how we can protect the most needy and those parts of the country that are at most risk, given the north-south divide? Stoke-on-Trent, for example, was named in the BBC's report.

Sir George Young: The north-south divide that the hon. Lady mentions was inherited, and we seek to address it. I do not know whether she listened later on her radio—as opposed to her wireless—to the robust response from the Deputy Prime Minister, in which he outlined the action that the Government are taking to narrow the north-south divide and ensure that growth is encouraged in those areas that suffered under Labour.

John Robertson (Glasgow North West) (Lab): I wonder whether the Leader of the House would consider having a debate on aircraft carriers before the spending review is completed, so that we can ensure that the workers who live in my constituency—and the thousands of people who would suffer the knock-on effects of any reduction—can make their feelings known before the cuts are announced.

Sir George Young: I understand the hon. Gentleman's concern on behalf of his constituents. He will know that there is a strategic defence and security review taking place in parallel with the comprehensive spending review, and I fear that he will have to await the outcome of the processes before he learns of the Government's decisions.

Diana R. Johnson (Kingston upon Hull North) (Lab): I was pleased to hear the comments by the Leader of the House about ministerial statements. However, on 29 August, the BBC reported—and the Department of Health confirmed—that the Secretary of State intended to scrap NHS Direct. That resulted in a petition of 14,000 people opposing that move. It now appears this morning that the Secretary of State for Health has said that he never intended to scrap NHS Direct. Will the Leader of the House reiterate to his colleagues how important it is to make clear statements to the House of Commons when Parliament is sitting, not in the middle of the summer recess.

Sir George Young: The hon. Lady had an opportunity on Tuesday to take this matter up with my right hon. Friend the Secretary of the State for Health. He is continuing the pilots initiated by the last Government to transfer NHS Direct to 111. NHS Direct is not being abolished: the organisation will support the new regime. On her plea for Ministers to make accurate statements to the House, no one is more strongly in support of that than I.

Barry Gardiner (Brent North) (Lab): May I congratulate the Leader of the House on his excellent decision to table a debate on the year of international biodiversity in accordance with the suggestion that I made to him before the recess? I offer him another suggestion, which is that he takes more seriously the question from my hon. Friend the Member for Nottingham East (Chris Leslie), because the devastating impact of the cuts in housing benefit on constituencies up and down the country is something that this House needs to discuss fully in Government time as a matter of urgency.

Sir George Young: As I hope I said to the hon. Member for Nottingham East (Chris Leslie), legislation will be needed to make the changes to housing benefit, so there will be ample time for the House to debate those issues.

Mr Wayne David (Caerphilly) (Lab): The Parliamentary Voting System and Constituencies Bill will lead to a 25% reduction in Welsh representation in this House. In the light of that, will the Leader of the House support the request made by the shadow Secretary of State for Wales for a special meeting of the Welsh Grand Committee to consider the implications of the Bill for Wales?

Sir George Young: I would have thought that that was exactly the sort of issue that could be raised as the Bill goes through the House. Wales will be in exactly the same position as the rest of the country, and I cannot see what is wrong with that.

Thomas Docherty (Dunfermline and West Fife) (Lab): The Leader of the House will be aware of the strength of feeling on both sides of the House that we need a swift and fair solution to the issue of compensation for the nuclear test ban veterans. Will he ensure that when the Secretary of State for Defence has decided the compensation package, he will make a full statement in the House so that hon. Members can make comments and question him?

Sir George Young: The hon. Gentleman raises an important issue about compensation. I cannot give a categorical guarantee of an oral statement, but I will do what I can to ensure that the House is fully informed and has an opportunity to hold Ministers to account for their decisions.

Points of Order

12.15 pm

Jon Trickett (Hemsworth) (Lab): On a point of order, Mr Deputy Speaker. A few moments ago, in response to my question about Royal Mail, the Leader of the House said that he would seek to ensure that the House was sitting when the statement on the decision was made. Do you agree with me that that is a cop out? Should not statements on matters as important as the future of Royal Mail be made first of all to this House?

Mr Deputy Speaker (Mr Lindsay Hoyle): That is not a point of order, but the hon. Gentleman has put his point on the record. Mr Speaker has also made it clear that he expects all statements to be made first in the House. We are all well aware of that.

Ms Rosie Winterton (Doncaster Central) (Lab): On a point of order, Mr Deputy Speaker. I am sure that you will be aware of the concern expressed during business questions about the Fixed-term Parliaments Bill, especially in view of the comments made by the Clerk of the House that it might result in the issue being debated in the courts rather than in Parliament. The Leader of the House said that we would have a lot of time to discuss the Bill, but I am slightly concerned that the Order Paper shows that proceedings in Committee of the whole House will be completed in two hours. I am sure that that must be a printing error, but it would be helpful if he could confirm that.

Mr Deputy Speaker: I am sure that the Leader of the House will be able to clarify that point.

Sir George Young: It is indeed two days. Two hours would not be acceptable.

Privilege

Mr Deputy Speaker (Mr Lindsay Hoyle): Before I call the hon. Member for Rhondda (Chris Bryant) to move the motion, I remind the House that it concerns the narrow issue of whether the matter should be referred to the Committee on Standards and Privileges. It is not a general debate on the issues and I would be grateful if hon. Members could bear that in mind; otherwise I will have to remind them. The rules governing this debate are set out on pages 167-8 of "Erskine May".

12.18 pm

Chris Bryant (Rhondda) (Lab): I beg to move,

That the matter of hacking of honourable and right honourable Members' mobile phones be referred to the Committee on Standards and Privileges.

The vast majority of those who had their phones hacked were not MPs, but of necessity this motion deals solely with the hacking of MPs' phones. That is not because we are in any sense more important than anyone else—it is a scandal that the royal princes, footballers, actors and, in many cases, ordinary members of the public had their phone messages intercepted and interfered with. While I passionately believe in the freedom of the press, and agree that investigative journalism is an important and proud tradition in this country, illegal hacking, suborning police officers and obtaining information by illegal means do not enhance our democracy. In fact, they undermine it.

This motion is exclusively about this House because I contend that it is a contempt of Parliament and a severe breach of parliamentary privilege to intercept the mobile phone messages of elected Members, to tap their phones, to bug their conversations, to intercept their e-mails or to seek to do so.

There are those who would want to play this down. People have said to me, "After all, what's the fuss about a few phone messages?" I ask hon. Members what the last phone message was that they had left on their answer phone. It might have been a soppy, sentimental message from their wife or partner, but it might have been something far more significant. It might have been a Minister ringing about a piece of legislation—in parliamentary language, a proceeding in Parliament. It might have been the Home Secretary or the Secretary of State for Northern Ireland ringing about a highly sensitive matter and leaving a message. Or it might have been a constituent ringing their elected Member of Parliament, leaving a message and asking them to return a call about something that was highly confidential to them.

The House has rightly been very angry in the past when it has been felt that the right of an MP to speak without let, hindrance or interception, which stems in essence from the Bill of Rights 1689, has been violated. It took action on several occasions in the 18th century, on many occasions in the 19th century and on more than 15 occasions in the 20th century. It is for that reason that we have a secure doctrine—the Wilson doctrine—that MPs will not be bugged by the security services, and I am sure that were there any information that MPs had been bugged by the security services, many hon. Members would be on their feet to condemn it.

The reason this reference is necessary now is simple. The Culture, Media and Sport Committee, which is admirably chaired by the hon. Member for Maldon (Mr Whittingdale)—he should probably be the right hon. Member for Maldon, and for all I know he might be the right hon. Member—produced an excellent report on the wider issue. Since then, however, there has been new information. First, several MPs, including myself, have contacted the Met and have discovered that we were the subjects of Glenn Mulcaire's investigations. In the words of the Metropolitan police, we were persons of interest to Mr Mulcaire. I am sorry to say that in very few, if any, of those cases have the police pursued any lines of investigation.

Nicholas Soames (Mid Sussex) (Con): I commend the hon. Gentleman on bringing this debate forward and on seeking to have the matter referred to the Standards and Privileges Committee. Is he aware that the Information Commissioner published a report, "What Price Privacy Now?", in December 2006, in which he unveiled the solid evidence that illegal information had been supplied to 305 named journalists working for a variety of newspapers, and does he agree that, if the Press Complaints Commission had any gumption or mettle, and was capable of investigating this sort of issue, we would not need to refer this matter to the Select Committee? Indeed, the Information Commissioner said that

"the Press Complaints Commission (and its associated Code of Practice Committee of Editors) should take a much stronger line to tackle any involvement by the press in the illegal trade in personal information".

Chris Bryant: The hon. Gentleman is right. If hon. Members have not had an opportunity to read the Information Commissioner's report, I urge them to do so. It is quite astounding. It lists the number of transactions positively identified: the *Daily Mail*, 952; the *Sunday People*, 802; the *Daily Mirror*, 681; *The Mail on Sunday*, 266; the *News of the World*, 182; and so on. It is an absolutely devastating report, and my concern is that the PCC has done nothing, and hardly anyone else has done anything. It is time that the House took responsibility for what areas we can.

The House has rightly been angered about this issue. The Culture, Media and Sport Committee produced a report, but there is more information. I suspect that, so far, we have seen only the tip of the iceberg in relation to right hon. and hon. Members, and that the hacking extended not just to Liberal Democrat and Labour MPs but to a large number of Conservative Members. I urge every right hon. and hon. Member who has any suspicion that they might have been a person of interest to Mr Mulcaire, which probably includes the vast majority of us, to write to the Met asking whether they were included, because Assistant Commissioner Yates made it clear the other day, in evidence to another Select Committee, that he has not been notifying Members. We have to do the work ourselves.

Ian Lucas (Wrexham) (Lab): Does my hon. Friend agree that the Standards and Privileges Committee should look in particular at why the police did not approach Members named in the information they had in order to acquire more evidence from those Members, who were unaware—and still are unaware, in many cases—that their names were on the list? Is that not a hugely important issue that the Committee should investigate?

Chris Bryant: My hon. Friend is right. If somebody went to the police and alleged that somebody was stalking them, and the police visited the stalker's house and found not only photographs of, and personal details about, the person who made the allegation, but photographs of another 20 people, I presume and hope that the police would go to those other 20 people and inform them that their personal situation had been compromised and that they had been the subjects of that person's activities. The police should have engaged in precisely the same duty of care towards not just right hon. and hon. Members, but any member of the public who had been the subject of Mr Mulcaire's attention.

There is a second piece of new information. Two former members of staff at the *News of the World* have said that the hacking was far more extensive than so far revealed. Indeed, today, Paul McMullan, a former features executive and member of the *News of the World's* investigations team, has said that he personally commissioned several hundred illegal acts, and that the use of illegal techniques at the newspaper was absolutely no secret.

Thirdly, although it has been stated that the case was an isolated bad apple, the Information Commissioner, as the hon. Member for Mid Sussex (Nicholas Soames) has mentioned, has suggested that the unlawful trade in confidential personal information is extensive across the media, citing more than 1,000 transactions positively identified by a large number of newspapers. Looking through the list, it seems that the only newspaper that is not included is the *Rhondda Leader*.

Why refer the matter to the Standards and Privileges Committee? First, because it is the senior Committee of the House. Secondly, because, by referring it to the Committee, it will have the support and full authority of the whole House—nobody can gainsay it. When the matter of the arrest of the hon. Member for Ashford (Damian Green) was referred to a specially created committee of privileges, that committee resolved that such an instance should be referred not to a special committee, but to the Standards and Privileges Committee.

Sir Menzies Campbell (North East Fife) (LD) *indicated assent.*

Chris Bryant: I see that the right hon. and learned Gentleman who chaired that committee is nodding his assent.

Jack Dromey (Birmingham, Erdington) (Lab): I welcome the Speaker's decision, in the best traditions of the House, to allow this debate, so that all Members of the House can defend the rights of all Members to carry out their duties without having their phones hacked into. Does my hon. Friend share my hope that there will be full co-operation from Downing street, not least because the lesson of Watergate is that the cover-up is worse than the crime?

Chris Bryant: My hon. Friend is right. One of the reasons for referring the matter to the Standards and Privileges Committee is that it carries the authority of the whole House, and I hope that that would mean that every right hon. and hon. Member, including those at Downing street, would want to co-operate.

The Leader of the House of Commons (Sir George Young) *indicated assent.*

Chris Bryant: I see the Leader of the House nodding his assent. I am sure that it would be true.

I urge the Committee to use all the powers at its disposal, including the power to summon any person it wishes and to require them to attend, because some people refused to attend the previous inquiry held by the Culture, Media and Sport Committee. If necessary, it should issue warrants to require witnesses to attend, and if they still refuse, it should use the offices of the Serjeant at Arms. Likewise, it should be free to use its power to require a witness to answer a question under pain of admonishment by the House. We should not accept it when witnesses simply refuse to give a straight answer to a straight question. That should not be standard practice, which it is becoming. The House should become far more carnivorous.

Given that some of the issues we are dealing with are matters of privacy, and we would not want to invade the privacy of those who have already had their phones hacked, the Committee should feel free to take some of its evidence in private if necessary. It should not shy away from recommending motions to the House enforcing its decisions, if it feels it appropriate to do so. Those decisions could include barring a person or persons from the precinct of Parliament, withdrawing a pass from any pass holder or a group of pass holders, or calling somebody to the Bar of the House for admonishment by the House.

It is for the Committee to decide precisely how it conducts its inquiry. Indeed, it should be free to decide the timing of its inquiry and report, how best it interacts with other Select Committees and, importantly, how best it avoids conflicting with any ongoing police investigation. I hope that there is an ongoing police investigation, because from what I have heard so far from the police, I have no confidence that there is a full police investigation into every avenue, searching for evidence. I would particularly abhor the fact that the police seem to have developed a new theology, whereby it is for the victim to discover and provide the evidence, rather than for the police to engage in an investigation to find it.

I suggest that the Committee might look at the following areas. How many MPs, including Ministers, Opposition spokespeople and Back Benchers of all parties, were the subject of investigation by Glenn Mulcaire—or, in the police's words, a "person of interest" to Mr Mulcaire? Did they include serving Government Members or people who are now in senior Government positions? Was the hacking limited to the *News of the World* or did it include other newspapers? Were the security services notified of the hacking of Ministers' and others' phones? Are there any further security measures that this House should take to protect Members' correspondence? Did the Met fully perform its duty of care towards the House by contacting all Members whose names and phone numbers were included in the material secured when it raided Mr Mulcaire's offices?

Have any witnesses who have already given evidence to the Culture, Media and Sport Committee on the matter lied to the House? Should the interception or attempted interception of right hon. and hon. Members' phone messages or e-mails be considered an explicit breach of privilege? Should the House adopt a new resolution defining privilege in the modern era to include modern technology? Should the law be changed to strengthen further the provisions against the hacking of the phones of MPs and members of the public? What action should be taken by the House against those who have lied to it, breached its privilege or shown contempt to it?

I hope that Members in all parts of the House will support the motion. This issue is not about one man or the one hon. Member whose case has already been to court. It is, however, about what kind of investigative journalism we want in this country—searching, yes; critical, caustic, aggressive and cynical, maybe; but not illegal. It is about whether this House will be supine when its Members' phones are hacked, or whether it will take action when the democratic rights of MPs to do their job without illegal let, hindrance or interception has been traduced. We have taken action before as a House; we should take action today.

12.33 pm

The Leader of the House of Commons (Sir George Young): The hon. Member for Rhondda (Chris Bryant) has proposed that the matter of the hacking of right hon. and hon. Members' mobile phones be referred to the Committee on Standards and Privileges. Mr Speaker decided under the procedure in "Erskine May" that such a motion should take precedence at today's sitting.

The motion is narrow in its terms, and it is quite right that an allegation that the House's privileges have been breached should be resolved without any unnecessary delay. Only the House, through the Standards and Privileges Committee, can resolve the issue. In the past, as the hon. Gentleman has just said, such matters have been referred to an ad hoc Committee, but in my view it is right that this matter be referred to the Standards and Privileges Committee, which has the powers to consider it.

I take this opportunity to congratulate the right hon. Member for Rother Valley (Mr Barron) on his election as Chairman of that Committee. I know that he and his Committee will do their best to determine the issue, navigating carefully among the other inquiries that may be under way at the same time, including a possible further investigation by the Metropolitan police. The decision on referring the motion is a matter for the will of this House, but the Government will of course support that referral.

12.34 pm

Ms Rosie Winterton (Doncaster Central) (Lab): We on the Opposition Front Bench support the motion in the name of my hon. Friend the Member for Rhondda (Chris Bryant) and welcome the support of the Leader of the House. As my hon. Friend has made clear, this is an extremely serious issue, and we need to know whether there has been a contempt of Parliament and a breach of parliamentary privilege. I also congratulate my right hon. Friend the Member for Rother Valley (Mr Barron) on his chairmanship of the Standards and Privileges Committee, and support the Leader of the House in wishing him well in navigating his way among the various investigations. We look forward to the result of the Committee's inquiry.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. This is an important issue and there are many with concerns, in all parts of the House, but before I call the next speaker, may I remind hon. Members that there is a debate to follow? A little brevity would help.

12.35 pm

Mr John Whittingdale (Maldon) (Con): I am mindful of your instruction that this is a narrow debate about referring the matter to the Standards and Privileges Committee, Mr Deputy Speaker, but it might help if I clarified one or two aspects regarding the two examinations of the matter that have been carried out by the Culture, Media and Sport Committee.

We first looked at the issue in 2007. It is important to distinguish between two different episodes, both of which potentially affect hon. Members. The first episode was the arrest and conviction of Glenn Mulcaire and Clive Goodman, specifically for phone hacking. The second was Operation Motorman, carried out by the police, which identified a private investigator who had been employed by a large number of journalists from many different newspapers, usually to undertake what is called blagging rather than hacking.

While hacking is an offence under the Regulation of Investigatory Powers Act 2000, blagging is a breach of the Data Protection Act 1998. Both are criminal offences, but in the second case, there is a public interest defence. No journalists were ever prosecuted in the Motorman case, so we do not know whether a public interest defence might have been used. However, the sheer number of blags or attempts to seek information in breach of the 1998 Act led us to believe that what was happening was, in large part, fishing by journalists and did not involve the pursuit of specific public interest matters. We revisited the matter in July 2009, after the publication of a story in *The Guardian* providing new evidence that led us to question the evidence that we had received in the first inquiry that Clive Goodman was the only journalist who had any knowledge of, or involvement in, phone hacking at the *News of the World*.

As I have suggested, there is evidence from both inquiries that hon. Members were affected. Specifically in relation to the first episode, the hon. Member for Bermondsey and Old Southwark (Simon Hughes) was named in the indictment of Mr Mulcaire as one of those who had suffered from hacking. When it came to Motorman, there were literally thousands of names. We know, for instance, that Peter Kilfoyle was one of them, although he did not know that until it was subsequently uncovered. In both cases there was concern that the victims were not informed, either by the police in relation to Clive Goodman and Glenn Mulcaire, or by the Information Commissioner in relation to Motorman.

As the House knows, the Select Committee took considerable evidence from a number of journalists—principally from the *News of the World* in relation to Clive Goodman, but from other newspapers too concerning Operation Motorman. At that time—it is important to remember that we are talking about events from some time ago—we found that there appeared to be a culture across Fleet street in which such practices were routine, and that law breaking was taking place in many news rooms. We were also assured that things had changed. The hon. Member for Rhondda (Chris Bryant) was a little unfair to suggest that the Press Complaints Commission did nothing. I have been critical of the Press Complaints Commission in the past, but it certainly did do something: it made it absolutely plain that such practices were unacceptable and required editors to tighten their rules, and we received assurances that such practices had stopped.

We now know that there is one journalist under investigation by the *News of the World* potentially for hacking, but it was the *News of the World* who acted on that and then notified the Press Complaints Commission that it was doing so. I very much hope that the events that we are discussing today relate to some time ago and that such practices have ceased right across Fleet street.

I understand the frustration felt by hon. Members during our inquiry—indeed, I shared it. We did make use of some of the powers that the hon. Member for Rhondda referred to, particularly in obtaining documents that various witnesses were, at first, unwilling to provide. We certainly had some arguments over which witnesses would give evidence. For example, we were unable to get evidence from either Clive Goodman or Glenn Mulcaire—or, indeed from Mr Ross Hall, who was in Peru at the time, although I understand that he has now returned to this country.

I recognise that new evidence might well have emerged. Some of the information that has entered the public domain in the past few days certainly appears to contradict some of the evidence that we received. The Standards and Privileges Committee has slightly more powers available to it than the Culture, Media and Sport Committee, and I in no way oppose the motion. I agree with the hon. Member for Rhondda that this is an extremely serious matter, and it is not just about MPs. The illegal obtaining of information about any individual is to be deplored. I therefore strongly welcome the moves that have taken place to ensure that it does not continue.

I have one small concern, although I am not in any way accusing the hon. Member for Rhondda. This issue is mired in politics, and the Standards and Privileges Committee needs to be very careful to ensure that it is not used as a vehicle for political ends. I am sure that that will not be the case under its new Chairman, whom I congratulate on his election.

12.41 pm

Mr Tom Watson (West Bromwich East) (Lab): Anyone can have their phone tapped by the newspapers, and they do. The House does not forget them as we debate the narrow issue of the abuse of MPs' privilege. So that Members can decide on the merits of the motion, I should tell them that, since the urgent question on Monday, one MP has told me that their phone company has confirmed that they have been the victim of blagging. The police have been informed. Another MP was so worried that, on the advice of his lawyers, he sent his mobile PDA device to forensic technicians, who confirmed that it was almost certainly hacked. I know of at least three former senior Ministers who have not yet gone public with their serious concerns that their phones were hacked. The evidence of endemic abuse is growing by the day.

This morning, I talked to the lawyer Charlotte Harris, who informed me that she had been in contact with former News International reporter Sean Hoare, as

[Mr Tom Watson]

part of her inquiries for clients who are the victims of phone hacking. He stands by his statements, and he will help the police. He also knows of others who were involved.

Something very dark lurks in the evidence files of the Mulcaire case, and dark and mysterious forces are keeping it that way. If the Standards and Privileges Committee is to get to the truth, I recommend that it interview the Culture, Media and Sport Committee refuseniks—the people associated with News International who flatly rejected our invitations to give evidence to our inquiry. They include Greg Miskiw, a former assistant news editor, who said that he was too ill to attend, and was not pursued. They also include Glenn Mulcaire. We were told through an intermediary that he would not give evidence, and he was not pursued. Clive Goodman was also asked to give evidence, but he said that he was unavailable. He was not pursued. The chief executive of News International, Rebekah Brooks, was pursued on three separate occasions before we gave up.

Alan Keen (Feltham and Heston) (Lab/Co-op): I think it was before my hon. Friend was a member of the Select Committee that we got a very direct answer from the then Rebekah Wade, who was a senior executive of News International in this country. She was asked whether it paid the police for information, and her answer was yes. Does my hon. Friend think that that issue should be part of this inquiry?

Mr Watson: I think it should, and I will come to that point in a moment.

Andy Hayman, as head of the Met police's special operations unit, was in charge of the Mulcaire inquiry. If the Committee wants to get to the bottom of which MPs were on the target list, and of who was told and who was not, News International's Andy Hayman is their man. I strongly recommend that the Committee ask him to appear.

We can delegate power but not responsibility. I doubt that Rupert Murdoch knows about these incidents, but he is responsible for appointing to positions of great power people who should know about them. For that reason, he too should explain his actions to the Committee. It is he who appointed Rebekah Brooks as chief executive of News International. He first appointed her, and he then appointed Andy Coulson as editor of the *News of the World*.

This morning, we have seen a strong argument for an inquiry made by former reporter Paul McMullan, who has become the seventh named *News of the World* employee to admit that they either knew about or took part in phone hacking. When Rebekah Brooks was editor, McMullan says:

> "They were just doing what was expected of them. People were obsessed with getting celebs' phone numbers...Everyone was surprised that Clive Goodman was the only one who went down."

If Members want justification for supporting the motion, they need look no further than Rupert Murdoch's Rebekah Brooks, who, as my hon. Friend the Member for Feltham and Heston (Alan Keen) said, admitted to Parliament that she paid police officers in the Met for stories. The Select Committee found that, "As far as we are aware, this practice is illegal for both parties, and there is no public interest defence that a jury could legitimately take into account." When Rupert Murdoch appointed Rebekah Brooks, he did so with that knowledge.

There is one more tiny little shame that we all share. The truth is that, in this House we are all, in our own way, scared of the Rebekah Brookses of this world. If we fear agreeing this motion, let us think about this; it is almost laughable that we sit here in Parliament, the central institution of our sacred democracy—among us are some of the most powerful people in the land—yet we are scared of the power that Rebekah Brooks wields without a jot of responsibility or accountability. The barons of the media, with their red-topped assassins, are the biggest beasts in the modern jungle. They have no predators; they are untouchable. They laugh at the law; they sneer at Parliament. They have the power to hurt us, and they do, with gusto and precision, with joy and criminality. Prime Ministers quail before them, and that is how they like it. That, indeed, has become how they insist upon it, and we are powerless in the face of them. We are afraid. If we oppose this motion, it is to our shame.

That is the tawdry secret that dare not speak its name. The most powerful people in the land—Prime Ministers, Ministers, and MPs of every party—are guilty in their own way of perpetuating a media culture that allows the character of the decent to be traduced out of casual malice, for money, for spite, for sport or for any reason that the media like. If we reject the motion, we will be guilty of letting that happen. We allow it because we allow narrow party advantage to dominate our thinking, above the long-term health of our democracy.

And yet, I sense that we are at the beginning of the endgame. Things will get better because, in many senses, they cannot get worse. The little guys, the reporters on the ground who joined a newspaper to seek the truth, have ended up working in a living hell. If we want to, we in this House have the power to change that. We can make a start by getting to the bottom of the phone hacking scandal. Whatever lies in those Mulcaire files is key, and the Standards and Privileges Committee can start the process by establishing the facts. This is not the time to rehearse the questions that must be answered, but no one who believes in the law, truth or democracy can doubt that they desperately urgently need to be asked.

12.49 pm

Simon Hughes (Bermondsey and Old Southwark) (LD): I am grateful for the opportunity to say a few words and grateful to the hon. Member for Rhondda (Chris Bryant) and to Mr Speaker for providing it. Perhaps not surprisingly, I entirely support the motion. I am on record from 2006 right up to the last election as speaking about the importance of this matter. I want to speak briefly today and to say to the right hon. Member for Rother Valley (Mr Barron) that, if the motion is passed, I would be happy to assist him and his Committee on Standards and Privileges further.

I am—I think—the only Member who has been asked to give evidence and has given it, as part of the evidence that secured the conviction of Mr Glenn Mulcaire. I was approached in 2006 and willingly agreed to do that. In reference to the comments of the hon. Member for West Bromwich East (Mr Watson), I inquired who

else had had their phone hacked and who else had been approached to give evidence. I was told that there were others, but that not everybody was willing to give evidence.

I have absolutely no doubt that some people were not willing to give evidence because they were afraid. They were afraid of going into the public domain to take on people working either directly or indirectly for one of our land's major newspapers. I have been in this place and in public life long enough not to be afraid any more, and I have also been through the mill before, which means that I probably have nothing much more to be afraid about. For me, it was not a problem, but it clearly was for others. I hope that they—colleagues here and in the other place—will now again be invited to give evidence to the Standards and Privileges Committee, if it takes on the job and might now be willing to speak to that Committee, either in public or private, though they were not willing to go public in the courts at the time.

My second point is that we are not talking about an isolated person or people at an isolated time in respect of an isolated newspaper. To the best of my knowledge, I was a subject not just of that particular fishing expedition, but also of a different fishing expedition by a different newspaper owned by different people. Another linked activity—it was very common—was buying phone records illegally from phone companies so that activities could be traced and inquiries made. These are linked issues: there is a whole sea of illegal and undesirable activity going on here.

Another issue, to which the hon. Member for Rhondda rightly referred, goes even wider. We can defend and speak up for ourselves here because we have privilege. It is right that we use the processes of the House, but one reason why I support this matter being referred to the Committee on Standards and Privileges is so that the privileges of our families, our friends, our colleagues and our constituents can also be respected. The people living on the estate behind my house do not have the same access to the media as I do. When they leave a message or when a member of my family or a colleague leaves a message, they might not have the opportunity to go public about any difficulties, yet they are potentially equally affected and harmed. For them, it is equally insidious, dangerous and unacceptable. This is an issue for us in our representative capacity on behalf of our constituents as much as it is for us as MPs with parliamentary privileges.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): As a new MP, I hope not to have attracted the attention of Mr Mulcaire, but equally, as a new MP with a background in communications, I am very aware that the business of MPs and this House will depend increasingly on electronic means of communication throughout the country. The hon. Gentleman speaks of our representative role, which I strongly agree with, but we should also consider the future—both for the House and the country at large. By investigating what happened in the past, we not only look at the past, but safeguard the future for both.

Simon Hughes: The hon. Lady is quite right. In common with my right hon. and hon. Friends, I have seen great changes in the use of electronic media for communication during my time in Parliament. I hope that the hon. Lady's expertise will be made available to the Standards and Privileges Committee if it requests it.

I want briefly to discuss two other issues. First, it is easy to misrepresent and thus tell untruths on the basis of misunderstood messages and information. To lighten the mood for a moment, I had a message on my phone the other day from a woman who sounded as if she was of a certain age and who said, "Darling, I really need to speak to you urgently. If we do not meet today, our marriage might be at an end." I thought that that message was unlikely to be aimed at me! She clearly had not read the press enough! Not knowing who she was, I nevertheless phoned her back and said, "Madam, I do not know who you are and you might not know who I am, but I think that the message you left was not intended for me. You ought to think about who it was intended for before it is too late." The serious point is that messages left were clearly misinterpreted to lead people to conclude that they were about one thing when they were not really about that at all. There is scope for terrible abuse if we do not rein in this activity completely.

Finally, this is without doubt a job for the Standards and Privileges Committee, but I hope that that will not mean that others who have a responsibility do not do their jobs, too. The Metropolitan Police Authority has a job—to hold the Metropolitan police to account.

John Robertson (Glasgow North West) (Lab): Will the hon. Gentleman give way.

Simon Hughes: I would rather not, as I want to be brief.

The Justice Committee might well want to ask Law Officers about whether the Crown Prosecution Service did its job properly. Of course there is a case for only specimen counts to be investigated and put forward in a court case, but I share the view of the hon. Member for Rhondda that people on the list as prospective targets should have been informed, even if their phones had not been hacked at the time.

We also have a wider responsibility, which I hope we can deal with more fully on another occasion. The power of the media—broadcast, televised and written—is an issue for this country. My right hon. and hon. Friends have been brave enough to set up a commission into the banks, but I hope they will also set up a commission into broadcasting and the media, because the Press Complaints Commission has not done a robust job. The public are not adequately protected from the press. I am someone who, like the hon. Member for Rhondda, will defend the freedom of the press to the end, but there is a big difference between the freedom of the press and abuse by the press. This is abuse and illegality. It has to end, and we must be robust about it.

12.57 pm

Keith Vaz (Leicester East) (Lab): It is a pleasure to follow the eloquent speech of the hon. Member for Bermondsey and Old Southwark (Simon Hughes). On Tuesday this week, the Home Affairs Select Committee took evidence from Assistant Commissioner Yates, and we raised the concerns that had been expressed on Monday by my hon. Friend the Member for Rhondda (Chris Bryant). We also considered the excellent report fashioned by the Select Committee on Culture, Media and Sport.

[Keith Vaz]

Clearly, the speeches delivered here today –some have been most eloquent, especially that of my hon. Friend the Member for West Bromwich East (Mr Watson)— relate to incidents concerning the *News of the World*. Assistant Commissioner Yates told us that he has to continue with his investigations, which are operational matters. However, in the exchanges during the giving of his evidence, it was clear that members of the Committee were concerned about the state of the law relating to unauthorised hacking and tapping of mobile communications. That is why on Tuesday the Committee established an inquiry into the law, into the extent to which the police are able to police that law, and into the way in which the police inform people that they have been victims of that crime.

Tom Brake (Carshalton and Wallington) (LD): This may be slightly outside the Home Affairs Committee remit, but will the right hon. Gentleman and his Committee want to look at the ease with which it is possible to hack into phones and ask what the industry is doing about it? Secondly, although this may also be slightly outside the remit, will his Select Committee look at the Press Complaints Commission and perhaps make some recommendations about how to beef up that organisation so that it really does the effective job that it should be doing?

Keith Vaz: The second issue is really a matter for the Culture, Media and Sport Committee to look into; it is well outside the home affairs remit. However, our Committee certainly will contact the mobile phone companies to look at how they are able to deal with the issue of phone tapping and hacking.

Several hon. Members *rose—*

Keith Vaz: I will not give way, as I intend to be brief.

To be clear, the Committee's decision was unanimous. I see four members of it in their places on both sides of the House. The inquiry was suggested by the hon. Member for Cambridge (Dr Huppert), a Liberal Democrat Member, and it is limited to looking at the issue of mobile communication.

I fully support the motion before the House. I have spoken briefly with the Chairman of the Standards and Privileges Committee, and I congratulate my right hon. Friend the Member for Rother Valley (Mr Barron) on his appointment to that role. We would not want to duplicate the work of that Committee. We will share with him any information that we have, but we would not want to trample on the rights of the senior Committee of the House to deal with the privileges of Members. I fully support the motion.

1 pm

John Hemming (Birmingham, Yardley) (LD): I congratulate the hon. Member for Rhondda (Chris Bryant), to whom I offered my support previously, and I welcome Mr Speaker's decision to allow the motion to be debated.

The issue about the distinction between the Government and Parliament has not been so strong in the past. My view is that the Government are right that the Metropolitan police's operational decisions rest with it. However, Parliament still has a role, and the purpose of Parliament's privileges is to protect our constituents. If we do not stand up for our constituents by using our bite rather than just our bark, we cannot protect our constituents. Only yesterday, I was contacted by a whistleblower, who explained to me evidence of corrupt practices in family proceedings. Obviously, I will bring that issue to the House in more detail later, when I have more evidence. Had that person been concerned that the communication had been tapped, all sorts of problems would have been caused. Some people have been so worried about their communications being tapped that they have wanted to see me in person in a place where they could not be overheard. If our constituents are to have confidence that they can communicate with us about parliamentary proceedings, we need to protect their rights.

Andrew France is a constituent of mine. He was threatened that his daughter would be taken into care if he spoke to me about his case. Luckily, his case has come to an end, so he can talk to me. However, Parliament should take action to deal with such issues. The law on these matters is interesting: there are many different international examples, of which I have many details if any hon. Member wishes to see them. Under article 47 of the German constitution, there is a protection for members of the Bundestag from having to give details of information that they have received. It is so important that people are able to provide information in private about proceedings in Parliament.

Mr Deputy Speaker (Mr Lindsay Hoyle): The debate is a narrow one. As much as the hon. Gentleman is tempted to do so, we cannot range all around the world. He must keep to the subject.

John Hemming: Around the world, there are good examples of why we must pass the motion in order to protect our constituents. I support the motion.

1.2 pm

Paul Farrelly (Newcastle-under-Lyme) (Lab): The issue, which I hope the House will refer to the Standards and Privileges Committee, is about not just crimes committed several years ago but about cover-ups that, to all appearances, are still going on today. I was a member of the Select Committee on Culture, Media and Sport that looked into the affair previously. I drafted many of the conclusions of its report. We tried to penetrate the veil of secrecy over the affair, but we generally met with a wall of silence, with evasion and with collective amnesia. In trying to complete a much larger report before the election, we also had limited practical powers of compulsion. That issue relates to the modernisation of the House, which, if the resolution is passed today, I hope that the Standards and Privileges Committee will also consider. The powers of Select Committees need to be strengthened, and we need look no further than the United States Congress for good examples of how to do that.

Before the House votes, I want to deal with a couple of matters in the report, as well as two matters that keep being repeated, including in the past few days, on which the House might appreciate some clarity. First, regarding the police, the former Assistant Commissioner Andy Hayman has repeatedly told the news that as far as the Met was concerned, it left no stone unturned and

interviewed everyone who was relevant at the time. I am afraid that that is simply not true. The police interviewed only Mr Mulcaire and Mr Goodman, despite evidence in their hands that implicated others in the activity, which has clearly affected the confidence with which MPs can go about their business. Mr Mulcaire and Mr Goodman also maintained their right to silence, before entering a guilty plea, so no cross-examination was made. Our report was highly critical of the extent of the police investigation. Frankly, had Mr Hayman been in charge of the Watergate inquiry, President Nixon would have safely served a full term. His line is one that his successor, Assistant Commissioner John Yates, is finding it increasingly difficult to maintain, as new people emerge out of the woodwork, day in, day out, in the press.

Our report was very critical of the evasive display by Mr Yates in giving evidence for the police, and I hope that if the motion is passed, the Standards and Privileges Committee will not allow the police to get away with such evasiveness. As the hon. Member for Bermondsey and Old Southwark (Simon Hughes) has pointed out, nor is the Crown Prosecution Service blameless in the affair. When we asked it to justify how the investigation and prosecution had been carried out previously, it repeated verbatim, to a great extent, the police statements, which were highly misleading.

Secondly, I want to address the claim that our Committee—this has been repeated in the news in the past few days, often for libel balance—found no evidence that the then editor of the *News of the World*, Andy Coulson, knew about the hacking. That has been taken to mean that we effectively cleared Mr Coulson of knowing what his staff and Mr Mulcaire were up to. Nothing could be further from the truth—this is not a political point but a matter of fact. Frankly, we were incredulous that such a hands-on editor would not have had the slightest inkling about what his staff and private investigators employed by the paper were up to. That activity has clearly interfered with the activities of Members of Parliament. Faced with Mr Coulson's denial, however, we simply could go no further. As my hon. Friend the Member for West Bromwich East (Mr Watson) has said, others simply declined to be interviewed. To the list that he has had, I would add Mr Neville Thurlbeck, the chief reporter of the *News of the World*, who offered only to give evidence in private, which we considered unsatisfactory. Would compulsion have been productive? No, because it would have delayed the publication of a report. That is also an issue for the Standards and Privileges Committee to consider. Another reporter who was implicated was on a round-the-world trip at the time.

Mr Adrian Sanders (Torbay) (LD): Some of the issues that the hon. Gentleman raises rather reinforce the view that there might be a justification not just for a Standards and Privileges Committee inquiry but a full judicial inquiry, especially to consider the police's non-use of powers, which is in itself an abuse of power.

Mr Deputy Speaker: Order. We are not debating a judicial inquiry.

Paul Farrelly: I will refer to the police and other inquiries, which will no doubt go on in parallel, in a few moments, if I may.

Only now are more people coming out of the woodwork to naysay what Mr Coulson told us. Clearly, that is a matter that the Committee on Standards and Privileges will want to look into in order to get to the bottom of it.

Finally, I want to touch on two loose ends from our report, of which the Standards and Privileges Committee might find it useful to be advised. First, the whole affair was reactivated by the case of Gordon Taylor, the chief executive of the Professional Footballers Association, whose phone was hacked by Mr Mulcaire. The *News of the World* was in pursuit of sex stories in football. It sent its chief reporter, Mr Thurlbeck, to knock on Mr Taylor's door, on a Saturday afternoon, in the north of England, presumably with the intention of publishing the next day. However, after Mr Taylor's lawyers denied the story that he was having an affair and made legal threats, the story was spiked personally by Mr Coulson, as we established. We followed the trail as far as a conversation he had with his legal manager, Tom Crone, before spiking it. All Mr Coulson told us was that he had not read a story. We were unable to fathom details of the discussions that he had with Mr Crone before spiking it because, he said, he was unable to remember them. We thought it would be highly unusual for an editor to accept a denial at face value. From my experience in journalism, an editor would be expected to ask, "How can we stand this story up?" The answer, we thought, would inevitably involve some discussions of the source of the story. We suspected, although we could not prove it, that the story was spiked in part, at least, because any libel suit would have exposed the phone hacking that was going on.

In case it is of help to the Standards and Privileges Committee, let me say that Mr Crone is also a very interesting character, who is legendary at the *News of the World*. On two occasions he misled our Select Committee. He denied admitting a pay-off to Mr Clive Goodman after he got out of jail. He also misled our Committee on the identity of the junior reporter who was involved in transcribing phone-hacked messages.

Mr Deputy Speaker: Order. We cannot rehearse the work of the Committee by providing it with evidence. We have to stick to the subject of the debate.

Paul Farrelly: I am about to end my speech, Mr Deputy Speaker. However, as Mr Crone is a key player, I urge the Committee to interview him as well.

What is happening is unacceptable. It is unacceptable that the police have not fully notified people whose telephone PINs were retrieved during the investigation, and who clearly include many Members of Parliament; it is unacceptable for the police to say that there are just "a "handful of victims", given that the number is growing by the day; and it is unacceptable for the police to say that they conducted a full and rigorous inquiry. They did not, the *News of the World* did not, and the Press Complaints Commission did not. It is time that the position was rectified, and a referral of the issue to the Committee on Standards and Privileges will go a long way towards doing that.

1.10 pm

Nadine Dorries (Mid Bedfordshire) (Con): I congratulate the hon. Member for Rhondda (Chris Bryant) on enabling us to debate this issue. I also congratulate the hon.

[Nadine Dorries]

Member for West Bromwich East (Mr Watson) on an excellent speech. I felt that he stepped into the realms of poetic licence when he described journalism as "a living hell", but I thought that almost everything else he said was absolutely accurate.

I support the motion for a number of reasons, not least the fact that it is possibly our fault—the fault of the House—that the media were allowed to reach a point of arrogance whereby, in pursuit of a sensational headline in order to sell newspapers, they believed that they were above the law, could flout the law, and could adopt the unlawful procedures that have been adopted in this instance. I imagine that that does not apply only to the *News of the World*. The *News of the World* has been caught out, but how do we know that every newspaper is not acting in the same way? How do we know that our phones are not being hacked into at this moment by other newspapers?

I think that referral to the Committee is important because—I would hope—the Committee would then make a number of recommendations, including the recommendation that the media should no longer be allowed to be self-regulating through the Press Complaints Commission. It is because they have been self-regulating and we have been emasculated as politicians, afraid to say anything that condemns them, that the present situation has been allowed to arise.

Freedom of speech and the ability to hold a private conversation is the right of everyone in the land, and it has been paid for with human life. It is being paid for with human life today. Although it is almost surreal that we are discussing this matter, that is why we must discuss it, that is why the matter must be referred to the Committee, and that is why there must be a serious review followed by recommendations. Only a review and recommendations will prevent this situation from arising again, and, perhaps, curtail the actions of the media and change the way in which they behave.

Given that I must stick to the terms of reference in the motion and confine my remarks to the inquiry if I am not to be told off by you, Mr Deputy Speaker, let me merely repeat that I support the motion and congratulate the hon. Member for Rhondda.

Question put and agreed to.

Ordered,

That the matter of hacking of honourable and right honourable Members' mobile phones be referred to the Committee on Standards and Privileges.

Backbench Business

[3RD ALLOTTED DAY]

UK Armed Forces in Afghanistan

Mr Deputy Speaker (Mr Lindsay Hoyle): Owing to the huge number of Members who wish to contribute, speaking time will be restricted to eight minutes. I should also inform the House that I have selected amendment (a), in the name of the hon. Member for New Forest East (Dr Lewis).

1.14 pm

Mr Peter Bone (Wellingborough) (Con): I beg to move,

That this House supports the continued deployment of UK armed forces in Afghanistan.

It is a great honour to move the motion, which was tabled by the hon. Member for North East Derbyshire (Natascha Engel), my hon. Friend the Member for Kettering (Mr Hollobone), the hon. Member for Blaydon (Mr Anderson) and me. It was selected by the Backbench Business Committee for its first full-day debate.

The Committee chose Afghanistan as the subject of this historic debate for two reasons. First, when the country is at war, there can be no issue of greater importance. The putting at risk of the lives of our brave service men and women in a foreign land needs to be the concern of Parliament, and that alone would have been reason enough to select the subject of Afghanistan. As I have said, however, there is a second reason. Parliament has not previously had a chance to debate the war in Afghanistan on a substantive motion, and the Committee felt that there should be a debate in which the views of Parliament could be heard and the House could, if it wished, divide. It is encouraging that so many Members wish to speak, and that three amendments have been tabled by Back-Bench Members of four political parties.

Mr James Gray (North Wiltshire) (Con): My hon. Friend is right to describe this as an important issue, and of course it is right that the House should debate it, but does it not concern him that only once before in the long history of this Parliament has there been a substantive vote on the question of going to war—in 2003, on the question of going to war in Iraq? Is there not a real danger that a vote against the war, or even a vote with a more or less equal result, could have a devastating effect on the morale of our troops on the ground?

Mr Bone: I am not here today to express my personal view on the war. With respect to my hon. Friend, I think that his was very much a debating point, and I therefore will not respond to it.

At Prime Minister's Question Time yesterday, no one in the House could have failed to have been moved as the Deputy Prime Minister read out the names of 12 servicemen who had recently lost their lives because of the war in Afghanistan. I know that the whole House is united in its support for the young men and women of our armed forces. They are talented, professional and courageous; they are, quite simply, a credit to our country.

1.17 pm

Bob Stewart (Beckenham) (Con): I thank my hon. Friend the Member for Wellingborough (Mr Bone) for introducing a motion that is so important to our nation. I assure the House that the armed forces will be watching our debate extremely carefully. Some of what is said will be very important, and, as was pointed out by my hon. Friend the Member for North Wiltshire (Mr Gray), some of it may have an effect on morale.

Last week I had the sad duty and honour of attending the funeral of Lieutenant John Sanderson, a young officer in the battalion that I had the privilege to command. Twelve members of my old battalion have died on the tour that it is currently undertaking, and there is approximately a month to go. Seventy more have been injured.

Roughly 300 people in a battalion go out and seek to engage the enemy. Members can imagine the percentage of casualties that is expected in my old battalion—the 1st Battalion, The Mercian Regiment, once known as The Cheshire Regiment—and how awful that is for their families. There have been 334 deaths in Afghanistan, and probably six times as many people have been injured.

After John's funeral I spoke to many officers, not only officers from my regiment but, for example, six Royal Marines. When I asked them what they really felt about the war, the first thing that they said to me was, "Make our sacrifice worth it. Do not let us suffer as we have, and then walk away and leave it"—rather, in a way, as we left Basra.

Mr David Winnick (Walsall North) (Lab): I, like every other Member of the House, pay tribute both to the British soldiers who have died in Afghanistan and those who have been seriously injured, to whom we wish the very best. However, turning to a point the hon. Gentleman made a few moments ago, will he recognise that in debates in the House it is the duty and obligation of every Member to speak their mind, and that therefore in this debate it should not be felt that if we are critical, which some of us may well be—I certainly will be, if I am called to speak—that is in any way a betrayal of our British troops? We must speak frankly in this House.

Bob Stewart: Forgive me, I did not mean to imply the contrary. I accept what the hon. Gentleman says; it is quite right.

The officers and soldiers to whom I talked were firm that they do not want us not to support them; I shall return to that point. They also do not like the idea of a timeline; they are not very happy about that. Also, of course, they want to be given the resources to be able to do the job we have set them.

Interestingly, the troops also questioned some of the strategic and tactical decisions that their superiors had passed on to them. I wondered what they meant, and I looked back into that. When we went in in 2002, we went in "light", as we call it: we went in with air power and special forces. We then thought we had done the job and left it to President Karzai. In 2003, we realised that things had gone wrong and we started going back in, and by 2006 John Reid was making hopeful statements in the House. He was acting on military advice in saying that he hoped that the 4,000-odd people being put into Helmand would not have to fire a shot in anger.

Mr Edward Leigh (Gainsborough) (Con): Following on from the previous intervention, does my hon. Friend agree that although our troops do not want Members of Parliament to doubt ultimate victory or how to control the Taliban, we should question whether the tactics are always right, because there might be other ways of doing things? President Reagan bombed Libya, for instance, which shows that we do not necessarily have to have troops on the ground. Do the troops accept that point?

Bob Stewart: Most certainly they do, and I accept that it is our job to question everything. The problem is that we have made some fundamental mistakes. I am not blaming anyone, but we made mistakes in 2006 when we dissipated our forces so they were in platoon houses and were not within the envelope. That meant that they could not have protection from artillery, and we had to use air power instead. The air power protecting them knocked out houses around them and killed local people, turning the people against our forces. In 2007 and 2008 we had gone back to counter-insurgency tactics—taking, holding, building—and our gallant troops went in to take, but they could not hold. They had to withdraw. Perhaps Members remember those pictures of helicopters flying with men strapped aboard to try to bring troops back. We could not hold the ground. Also, of course, our enemy came in and put devices on the ground that caused real problems, and they continue to do so to this day.

We now have a situation in which there is an increase in the number of soldiers on the ground, principally from the United States, and the principles of counter-insurgency are, in fact, beginning to work. They are protecting the people, and the key is whether the Afghan people feel protected and safe and can live a decent life.

Angus Robertson (Moray) (SNP): Will the hon. Gentleman give way?

Bob Stewart: I am going to keep going, because I do not have much time left.

We all know that we have a real problem in Afghanistan. We have a military aim, which is probably relatively simple: to make sure that Afghanistan never threatens us again. We also have a political aim, which is, fundamentally, that we want Afghanistan to have a decent lifestyle and to take its part in the international community, and also that we do not want to allow groups such as the Taliban to return to the country, and thereby threaten us. The job our troops are doing is very difficult; I am clear about that.

I want to conclude by talking briefly about what we can do. The fact of the matter is our soldiers require our support. I accept the point that they have a problem with understanding the nuances of people saying, "We support our troops, but we don't support the war." When we talk to them, they say, "Come off it, we're out here doing a mission; support us! Don't just say, 'We support you.' We don't quite get that." One of them said to me, "Are you smoking dope?" *[Interruption.]* I was not, actually; I never have smoked dope, and if I had, I would have been chucked out of the Army. Another one said to me about the strategic situation and the tactical decisions made, "Isn't it strange, Bob, that in this country we penalise our soldiers for

[Bob Stewart]

losing a rifle more than we penalise our generals for losing a war?" We have not made some decisions very well thus far.

There is now great optimism that we will be able to reach the endgame, and get to a situation where our troops can come home and feel that John Sanderson and 333 other young men—and one woman, I think—have given their lives for something worth while. That is terribly important. I pay great tribute to what our armed forces are doing, of course, and I want them all to come home soon—as soon as possible, and before 2014 if that is achievable—but the only way they can come home quickly is if we get it right, give them what they require and understand that we are fighting a war. Let us imagine what would have happened if there had been reductions in the defence budget when we were at war in 1940. I know that our country has a big economic problem, but we have to make sure that those people who are running huge risks on our behalf are given everything they require and our support. I therefore ask the House to support the motion.

1.27 pm

Paul Flynn (Newport West) (Lab): Can we make something clear? The last speaker seemed to equate al-Qaeda with the Taliban. The Taliban have never threatened us, but al-Qaeda certainly has. If we want to understand Taliban thinking, we should note what was expressed recently by a commander. He said that war is dreadful and horrid:

> "It creates nothing but widows and disruption. But jihad is different. It is our moral obligation to resist you foreigners. One year, a hundred years, a million years, ten million years—it is not important. We will never stop fighting. At Judgement Day, Allah will not ask, 'What did you do for your country?' He will ask, 'Did you fight for your religion?'"

That shows the precise nature of the conflict, and it is not a conflict that can be won.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): The hon. Gentleman should reflect on the Taliban's relationship with the events of 9/11. While they did not directly threaten us, they provided the wherewithal and the facilities for al-Qaeda to threaten us, and they did not do anything to try to rectify the situation when they had the opportunity to do so.

Paul Flynn: The situation now is that the Taliban are not in power because of al-Qaeda, as the Taliban well know. The Taliban already control at least half the country, and al-Qaeda has not been allowed in. There is no problem here; this is a false argument. We have created this myth that, somehow, if we pull out, al-Qaeda will have an area in which to operate. It already has Pakistan in which to operate, and Somalia and Yemen.

I take the point about how our soldiers will perceive what is said in the House, however. I, like most Members, have had the torment of trying to say to constituents who have lost loved ones that they died in a cause that was just and honourable. It is no reflection on the quality and bravery of our troops to say that this war has been, certainly since 2006, a grave error. There were people in this House and in the military—one military person resigned over this—who said in 2006 that our going into Helmand then was stirring up a hornet's nest. At that point only two British soldiers had died in combat, but now the figure is 334 and the rate is accelerating; the 200th soldier to die, who came from Gwent, died last August. The bloodiest year so far for British troops in Afghanistan was 2009, but if things continue as they are, 2010 will be far worse. The rate at which British soldiers have been killed in Afghanistan is now four times that of our United States counterparts.

The whole operation is continuing and there is no possible outcome that will be just and honourable. Both Governments have been in denial. We have heard optimism, and nothing but, year after year and in debate after debate, when they have told us that we have turned the corner. The Deputy Prime Minister used the same expression the other day, saying that things are going well now and we just have to hang on. We have turned so many corners that we have been around the block half a dozen times in Afghanistan, but we are still in hell and the situation is still getting worse. We believe in the possibility that the Afghan national army can take over, but it is mainly drug addicted and it routinely oppresses its own people. In one incident, 300 members of the Afghan army were guarding a convoy when they were attacked by seven members of the Taliban and they fled, with their commander saying, "Why should they sacrifice their lives and kill fellow Afghans in order to defend a corrupt leader from a different clan and to promote the policies of a foreign country?" Indeed, one is entitled to ask that.

The Afghan police service routinely extorts money from its own citizens. When the police went into the village of Penkala, the local elders came forward and said, "Last time they came here, they practised bacha bazi on our young boys." That refers to the routine ritual sexual exploitation of young boys. They also said, "The Taliban were here before. They were wicked people, but they were people of principle." The Afghan police are a criminal police service. Many of them are not paid, so they are expected to get their money in this way.

Angus Robertson: Does the hon. Gentleman agree that in addition to all those problems, massive challenges are affecting the Afghan Government and Afghan authorities at a national level? Those organisations are the ones that we are supposed to be supporting. A financial scandal is currently engulfing Afghanistan, and it involves the elites around President Karzai. Is the hon. Gentleman content that our brave young servicemen and women are dying in support of those elites?

Paul Flynn: No, I am certainly not, and the hon. Gentleman is right in what he says. Minister after Minister has said, "We are going to tackle corruption; the corruption is impossible and we must do something about it." When we ask them what we must do, nobody has the slightest idea. What we are doing, and what we are trying to do, is fight corruption with our sort of ethical corruption; we have taken corruption and bribery and put it on an industrial scale. The Americans are moving in with pallets piled high with bubble-wrapped stacks of $100 bills; our way of working in Afghanistan is based on our own variety of corruption.

Afghanistan is a country where there is not going to be a happy ending. We are never going to get the tribal groups to work together and we are not going to get the

warlords to behave reasonably. These warlords have committed atrocities and they now have their members sitting in the Afghan Parliament. We went in with this idea that there was a simple solution, possibly a military one, but we know that that is not possible.

On the question raised by the hon. Member for Beckenham (Bob Stewart), may I say that although we praise the bravery of the troops and weep for their sacrifices, especially in respect of those who receive little attention—those who have been maimed in battle and will suffer the wounds for the rest of their lives—that is no excuse for saying that as so many have been killed, more should be killed to justify those deaths? Those deaths were avoidable and the fact that this House did not oppose the expedition into Helmand province in 2006 is responsible for them; this is not down to anybody else. We should have said at that time that it was not plausible to suggest that we can go into Helmand—that is so for the very reasons that the Afghans say. They are fighting us because we are the ferengi: we are foreigners. Every generation of Afghans has fought against foreigners.

In 2001, a member of the Russian Duma slapped me on the back and said, "Oh, you Brits have succeeded in capturing Afghanistan, very clever. We did it in six days and we were there for 10 years. We spent billions and billions of roubles, we killed 1 million Afghans and we lost 16,000 of our soldiers. When we ran out, there were 300,000 mujaheddin in the hills ready to take over, just waiting their turn. It will happen to you." It has happened throughout history; no army has gone into Afghanistan, conquered it and occupied it. The task is impossible.

Mr Julian Brazier (Canterbury) (Con): Will the hon. Gentleman give way?

Paul Flynn: No, I cannot, because I have given way twice.

If we want evidence that the Government are in denial, we should recall the attempt to stop the reading of the names at Prime Minister's Question Time, when the House is well attended and the media attention is on us. This was shifted and the names were read twice, once on a Monday and once on a Thursday. When the Prime Minister and Foreign Secretary visited Afghanistan to demonstrate our strength, they proved our weakness. When they came back to the Dispatch Box and gave their reports to the House, they did not mention the only important thing that happened on their mission, which was that they were unable to fulfil their engagements. They were supposed to visit three sites, but they were unable to visit the principal one because of the strength of the Taliban. However, to admit that, and thus to tell the truth at the Dispatch Box about the fact that their trip exposed our vulnerability and our inability to guarantee the safety of our Prime Minister and Foreign Secretary, would have been to admit that the situation is getting worse by the day. This has been going on for a long time, and to pretend otherwise is nonsense.

There is a welcome sense within this House—I am not making any point about a date on which to withdraw—that we know that we are going to withdraw. An exit strategy is in place and that changes the mindset. Nobody will talk any longer about continuing for 30 years, or about conquering the Taliban or the people of Afghanistan. The people of Afghanistan know that we are getting out. The Parliaments in Holland and Canada debated this issue—they had the opportunity to do so and to vote on it before we did—and they decided to bring their troops out. The opinion of our nation is the same: 70% of the country wants to see the troops home by Christmas. That cannot happen, but we need to get them home in a way that is going to guarantee as much peace as possible for the Afghans in the future. We have to choose whether we have a Dien Bien Phu exit or a Saigon exit—that was an exit prompted by the disgust of the population at the body bags coming home. Such an exit would be carried out in panic and would leave the Afghans at the greatest possible peril. We may be able to reach some agreement with these various groups. They are not saints and it will be very difficult to get any stable set-up, but that must happen and we know that we are going to do it in the near future—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

1.39 pm

Dr Andrew Murrison (South West Wiltshire) (Con): I start by declaring my interest as a member of the reserve forces. I commend the Government for their attempts to clarify the mission in Afghanistan. It is very important to articulate the geopolitical significance of this conflict if it is to command the support of the general public. I genuinely regret that the previous Administration signally failed to do that. Had they done so, the acceptance of what we are trying to achieve in Afghanistan now would be far more general. I support the motion, and I believe that the men and women of our armed forces will expect us to do so in this House today.

It is worth bearing in mind that the price of our involvement in Helmand and Kandahar is paid by the men and women of our armed forces. I am pleased to note that their welfare is mentioned in the three amendments tabled to the motion today. I want to talk a little about the duty that we owe them—a duty summed up at the start of Operation Enduring Freedom as the military covenant. The military covenant is a somewhat elegant turn of phrase written into British Army doctrine by a now retired senior officer who was no doubt sweating away in the Ministry of Defence in 2001—that is, the old Ministry of Defence, before the previous Administration turned it into a princely palace for mandarins at great public expense.

We must go back a bit to understand the provenance of the covenant. The first expression of the duty that the state owed to those who fought on its behalf is the Act for the Necessary Relief of Soldiers and Mariners. It was drawn up in 1601, following what were described as "Her Majesty's just and honourable defensive wars", just as today's interest in the covenant has been encouraged by Iraq and Afghanistan.

The 1601 reference to "defensive wars" is important. Most of the conflicts in which this country has been engaged have been defensive, involving society at large and not just an expeditionary military. Although we can debate the mission in Iraq and Afghanistan—I supported the latter, incidentally, but opposed the former—the conflicts of the 21st century have been discretionary as opposed to the total war of the sort marked this week in the 70th anniversary of the blitz and the battle of Britain, which involved defensive warfare writ large.

[Dr Andrew Murrison]

What implication does participation in discretionary warfare have for our duty under the military covenant? The public are quite clear. Citizens have shown themselves perfectly capable of separating their strong support for the men and women of our armed forces, as has already been mentioned, from their ambivalence, at best, about the mission in Afghanistan. That support must be reflected formally by Government, in my opinion. I would argue that the Government owe a special duty to those who have served in discretionary warfare, because such conflicts cut to the quick of what it is to serve in the military. It is a commitment without limitation and, in the absence of an existential threat of the sort marked this week in the capital and by the RAF, it may be emulated but not matched by any other group in society.

I argued two years ago, at the time that we set up the military covenant commission under Frederick Forsyth, that there are three identifiable parties to the military covenant: the men and women of our armed forces, the Government and the people. However, there might be a fourth: the chain of command. Its attitudes are informed by, but distinct from, the political leadership. The command has been crucial in tackling ingrained attitudes towards, for example, mental health. It has driven TRiM—trauma risk management—pioneered in Iraq and Afghanistan by the Royal Marines, but at other times in our history, the contribution of the top brass, like that of the Government and the people, to the well-being of the rank and file has been less obvious.

It is also necessary to consider within any fourth pillar the attitudes of officials. One wonders about the mindset of a senior civil servant who is prepared to commit to paper his observation that injured soldiers with "a significant media profile" would "require careful handling" in the context of a perfectly proper attempt by the MOD to ensure that our armed forces are fit for purpose.

My right hon. Friend the Defence Secretary is quite right to insist that our need to optimise the fighting fitness of our units does not compromise our duty to those who have sacrificed much in the service of their country.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I very much agree that we need to appreciate the contribution of our armed forces. In view of what the hon. Gentleman has said, does he now regret some of the comments that were made in the early years of the decade commencing in 2000 about the Royal Centre for Defence Medicine in Birmingham? Members who are now sitting on the Government Benches made political capital out of the exceptionally good medical services provided to our armed forces. Will he pay tribute to the Birmingham hospital now?

Dr Murrison: I will certainly pay tribute to the men and women of our Defence Medical Services, that is for sure. One thing I would say about the previous Government is that they promised a great deal to the Defence Medical Services, but in Selly Oak they failed to deliver what was necessary in a timely fashion. I am pleased that now, belatedly, we have seen the opening of the new hospital in Birmingham—precisely what the DMS was led to expect to believe that it was getting from the outset.

On a perhaps more light-hearted note, I am bound to observe that our greatest naval hero managed to command the fleet decisively on 21 October 1805 without the benefit of an arm and a leg—I am doing the man a disservice, I mean an arm and an eye; I am supposed to be speaking at a Trafalgar night dinner next month, and I had better get that right. The man was chronically sick for most of his career. I point that out simply as a cautionary note and to say in all candour that it is perfectly possible to be disabled and yet to participate in active service.

Equally, well-meaning commanding officers who offer reassurances at the bedsides of casualties with appalling injuries that will always be with them need to be very careful about promising them that they will always have a place in the battalion—to use the usual turn of phrase—when it is clearly not necessarily in the interests of that person, who might otherwise be retrained, I hope with a quality package, for life in civilian street, which might ultimately be more fulfilling and rewarding. Our language is very important.

We owe it to the injured to ensure that through the evolving Army recovery capability and personnel recovery centres and through a revamped medical boarding procedure that we balance our paramount need for fighting forces that are fit with the obligation to do what is right by those who have paid a heavy price for their service.

Mr Brazier: I am most grateful to my hon. Friend for giving way, and he is making a truly excellent speech. As a footnote to it, may I ask him to agree that it is very unfortunate that as a result of changes 10 years ago, which were made with good intent but were, in my view, wholly mistaken, this is the first time ever in our country's history that the costs of dealing with the aftermath of war are borne by the defence budget?

Dr Murrison: That is a point that my hon. Friend has made before and he makes his views known in a very powerful way. I am sure that there is much truth in what he has to say and of course the blame must lie with the previous Administration and how they managed the defence budget in this country.

The charity Combat Stress received 1,257 new referrals in 2009, an increase in two thirds since 2004. It is important to put that in the context of the generally positive mental and physical legacy left by service in the armed forces. I would strongly avoid the hysterical language used by some elements of the media, and I suggest that saying that we face a "mental health time-bomb" is unfair and not supported by the evidence. However, we have a significant problem and since it has been caused directly by military service we have an obligation under any interpretation of the military covenant to go the extra mile in sorting it out.

The Prime Minister, when he was Leader of the Opposition, and my right hon. Friend the Defence Secretary hosted a mental health summit in the Commons in June last year and have ordered a review that I lead into how we can do more to promote the health of the service community. It is clear that we must do far more to be proactive in discovering in servicemen and women the mental health problems that they might be suffering—not just post traumatic stress disorder, I hasten to add. We must offer the means for casualties to accept help in a way that is amenable to them.

Four hundred years after Elizabeth I signed off the first expression of the state's duty to its fighting men after her defensive wars, this Government, mindful of the sacrifices made in a very different theatre, intend to give it statutory definition. I support them in that aim and believe that it should command the approbation of all quarters of the House.

1.48 pm

Mike Gapes (Ilford South) (Lab/Co-op): I welcome this debate, which is both timely and necessary. I agree with other hon. Members who believe that it is time in this century for Parliament to have a more explicit and direct vote on important military matters. Apart from anything else, in terms of public support, it is important that we have a clear expression of the will of the House of Commons on these matters so that there can be no ambiguity once today's motion is, I hope, carried.

Mr Gray: I absolutely agree. It is terribly important that this House should send a strong message of support for our troops. However, does the hon. Gentleman not see a real danger that if we were to have such a vote on every occasion there is at least the possibility that the vote would be evenly split or that even a no vote would be the result, which would have terrible consequences for the war?

Mike Gapes: I do not argue that we should have a vote every week or month, but from time to time it is important that Parliament makes it clear that the Executive, when they deploy our force, have the continuing support of the nation. It is our job to speak for the nation and it is very important in a democracy that Parliament is the voice of the nation and that we do not just leave things to the Executive.

Last year, the Select Committee on Foreign Affairs published a major report on Afghanistan and Pakistan. It concluded that there could be no question of the international community abandoning Afghanistan and that there was a need to convey publicly that the international community intends to outlast the insurgency and to remain in Afghanistan until the Afghan authorities are able to take control of their own security. That must be a primary objective. Yesterday, the current Committee decided to mount a new inquiry into Afghanistan and Pakistan over the coming months.

I am concerned that, since the previous Committee's recommendations of last year, there has been a significant change in the positions of both the United States Administration under President Obama and the new Conservative-Liberal Democrat Government who were elected in May. We now have an arbitrary deadline, set by the Obama Administration, to begin withdrawal of military forces from July 2011, and an even more firm statement about a complete withdrawal of British forces from 2014-15, which was confirmed by the Foreign Secretary when he answered questions at yesterday's Select Committee sitting.

I think it is extremely unwise to have arbitrary target deadlines. Many commentators have pointed out that the process should be conditions-based and should not involve just setting artificial deadlines. One reason why that approach is so difficult and dangerous is in the signals it sends to the Afghan people. In a recent opinion poll, only 6% of Afghans said that they would support the return of the Taliban, whereas 90% said that they would prefer the present, dysfunctional, corrupt and in many ways useless Government to the thought of the Taliban returning. The ability of Afghans publicly to associate themselves with the international forces or even the Karzai Government at this time is greatly undermined by the thought that within a year, 18 months or perhaps four years, that international community support will go and they will be faced with the potential return of the Taliban. We face a real crisis here. There is a conflict between the military objectives of nation building and counter-insurgency, which require many years—perhaps a generation—to be successful, and a political agenda driven by the body bags and casualties and the simplistic solutions that are touted by various people.

What we are dealing with in Afghanistan is not just about Afghanistan. It is also about Pakistan—a country of 170 million people which has nuclear weapons, unresolved border disputes and potential conflict with India. Pashtun people who live on both sides of the Durand line can move backwards and forwards, and the border is impossible to police. If there is a collapse of any form of central Government and we return to an overt civil war, as opposed to the incipient civil war that still goes on in Afghanistan, without international support for the Afghan Government we could be faced with a situation not simply of the Taliban's return but of a complete failed state—not just Afghanistan but Pakistan.

Rory Stewart (Penrith and The Border) (Con): How exactly would the collapse of Afghanistan affect Pakistan? Why is the hon. Gentleman so confident that a failed state in Afghanistan would have calamitous effects for Pakistan?

Mike Gapes: When the Foreign Affairs Committee visited Pakistan last year, we were in Islamabad when the Pakistani Taliban got to within 80 miles of Islamabad. At that point, the Pakistani Government got out of denial and started a very difficult process of taking on the insurgents from the FATA, or federally administered tribal areas, and other areas. They pushed up the Pakistani Taliban towards the Afghan border. There is an area on that border, on both sides, where the insurgents can regroup, hide and get training. If the Pakistani state is faced with a failure by us or the Afghan forces to press on the other side, there will be an easy way for the insurgents to work on both sides of that border without having sustained pressure from both sides. That is a fundamental dilemma for the Pakistani Government and I do not think that we appreciate quite how many Pakistanis have died in recent years and the great sacrifice that Pakistani people have made because of terrorism, because of outrages within their society such as those in Islamabad, Karachi and other parts of Pakistan, and because of the potential threat to the state imposed by Islamist radicalism and extremism.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Will the hon. Gentleman give way on that point?

Mike Gapes: No, I cannot take any more interventions; I have to conclude my remarks.

I am conscious that we are dealing with a very difficult issue. There is a global struggle within Islam between a whole spectrum of points of view. There is conflict between Sunnis and Shias and there is conflict

[Mike Gapes]

within Sunni Islam. That conflict is being fought out within Pakistan and Afghanistan at the moment. It is sometimes attractive for people to think that we can somehow step back, be neutral and avoid being involved in all this because it is nothing to do with us. Some people have a tendency to think that, but more than 1 million British citizens have family connections with that region—with Pakistan. Islam is part of our European culture and our modern world. Given the globalisation of economics and politics, we cannot be neutral in this struggle. We all have to try to assist the moderates and internationalists in this process, and to combat jihadism wherever it is. That does not mean that we must always fight it militarily: we must also fight it intelligently and politically.

It might well be that because of the deadlines set by our Government and the US Administration, because of the lack of wider international support and because of the growing public fear that we have been in this for so long that we have to get out quickly, we will have to accept a very difficult and messy compromise in Afghanistan that will involve some kind of return of Taliban influence or Taliban groups in at least part of the country. However, let us not forget that the wider struggle will still require us to be involved in supporting the democrats, the internationalists and the anti-jihadists in Pakistani society as well as those in Afghanistan. For that reason, I support the motion.

1.59 pm

The Secretary of State for Defence (Dr Liam Fox): It has been fashionable in some quarters to say that the House of Commons is increasingly irrelevant in our national life, and that the Executive have become too powerful. Indeed, in recent times the Executive have become too powerful, reaching a zenith in parts of the Blair Administration when the House of Commons was reduced to Downing street in Parliament.

Today marks a very welcome departure. I congratulate all those involved in this wise enterprise. It is high time that Members of the House of Commons, not just the Government and not just the Opposition, have the ability to determine what we discuss in the Chamber.

No subject could be more important than Afghanistan. The hardest thing that a Defence Secretary, or indeed a Prime Minister, has to do is to write to the bereaved families of those killed in action, yet sad though that task is, none of us can fully understand the pain of loss endured by the families themselves. I therefore add my condolences to those of Members on both sides of the House who have paid tribute to the heroic members of our armed forces who have sacrificed themselves for our national security. I pay tribute to Dr Karen Woo, whose courage and dedication mirror that of many civilians who are doing what they can to help in one of the most dangerous parts of the world. We should remember at all times the contribution that they make to trying to create a better world.

What is said in this House matters, particularly in relation to Afghanistan. When we debate that subject here we need to be aware of who is listening: first, the British public; secondly, our armed forces; thirdly, our allies and partners; and fourthly, our opponents and enemies, the disparate insurgency in Afghanistan—the Taliban and al-Qaeda. Each of those audiences is important in different ways. That means not that we are restricted in any way as to what we can say in the House of Commons, but that we should carefully weigh up how we may be interpreted.

Derek Twigg (Halton) (Lab): Does the right hon. Gentleman think that the commitment to leave in five years, which he has backed, will be welcomed by the Taliban or seen as a negative?

Dr Fox: If the hon. Gentleman will allow me to, I shall come to withdrawal and the long-term implications in due course.

Our military resilience is, in part, dependent on the support of our people—it always has been. The British public need to know that there are clear reasons for being in Afghanistan and that we have clear aims and the right strategy. They need to know why we cannot bring our troops home immediately, as many people want, what we are achieving, and what success will look like. Let me tackle those points first.

Saturday marks the ninth anniversary of the al-Qaeda atrocities that killed almost 3,000 innocent people, including 66 British citizens, in Manhattan. The horror of watching those scenes replayed on television does not diminish with time. The carnage did not discriminate nationality, colour or creed. It changed the lives of thousands of families and it changed the way political leaders saw the world. If we want our people, civilian and military, to be willing to pay the price of success, they need to understand the cost of failure—9/11 is what failure looks like. It is what trans-national terrorism looks like, and what it will look like again if we fail to confront it.

Our clear aim in Afghanistan is to prevent Afghan territory from again being used by al-Qaeda as a base from which to plan attacks on the United Kingdom and our allies. Our engagement in Afghanistan is first and foremost about national security. It is not the only place where we are confronting violent extremists, but it is crucial in that battle. The presence of ISAF—the international security assistance force—prevents al-Qaeda and the Taliban regime from returning while we train Afghan security forces to take over the task for themselves.

We do not seek a perfect Afghanistan, but one able to maintain its own security and prevent the return of al-Qaeda. That aim also requires working with Pakistan to enhance the Pakistanis' ability to tackle the threat from their side of the border. In Afghanistan, success means, first, continuing to reverse the momentum of the Taliban-led insurgency. Our second aim is to contain and reduce the threat from the insurgency to a level that allows the Afghan Government to manage it themselves. Our third aim is creating a system of national security and governance that is stable and capable enough for the Afghan Government to provide internal security on an enduring basis. That is why we are supporting more effective Afghan governance at every level, and building up the capability of the Afghan national security forces as rapidly as is feasible.

Bob Russell (Colchester) (LD) *rose—*

John Woodcock (Barrow and Furness) (Lab/Co-op) *rose—*

Dr Fox: I shall give way to both Members, but given the nature of the debate I then intend to make progress.

Bob Russell: This debate is taking place as troops from 16 Air Assault Brigade, Colchester garrison, prepare for their fourth deployment to Afghanistan. Does the Secretary of State agree that this is not just a military operation? Although we clearly support the military operation, there are two other sides of the triangle—politics and economics.

Dr Fox: I completely agree that although the military element is absolutely essential it cannot be the only element in our approach to Afghanistan. I shall come to that point a little later.

John Woodcock: Members on both sides of the House will support the Secretary of State in what he has just said. Does he accept that his Government must be more focused in communicating the mission? *[Interruption.]* That is not to say that the previous Administration got it right either—I am not suggesting that for a moment—but the ability of the Government and all Members of the House to communicate what the mission is about is paramount in our responsibility to our armed forces in Afghanistan.

Dr Fox: I completely agree. In fact, that issue is discussed even more widely—not just in the United Kingdom but throughout the coalition. One of the issues we discussed at the recent defence ministerial summit was how to improve strategic communication and how to maintain the resilience of our operation by maintaining the support of our publics, recognising that one of the problems is that the Taliban do not have to maintain the democratic support of anybody at all. Communication is a strength but also a potential weakness and it is correct that the right strategic narrative is essential in maintaining support and resilience.

We need to be clear about where successes are occurring, and part of that communication is telling people about successes. Less than six months ago, Afghan national army strength stood at about 107,000 trained soldiers, with a target of reaching 134,000 by October 2010. The Afghan Government met that target two months early. The Afghan national police force has grown to more than 115,000. I am the first to admit that challenges remain with its capability, but notable successes have been achieved, even over the past few weeks, such as the interdiction of bombers in Logar province just last week. Good things are happening, and we must not allow ourselves to believe that there is a non-stop tale of failure, as some would like to portray the situation.

In Helmand, the Afghan national army and police, working side by side, with minimal ISAF support, led on the planning and conduct of Operation Omid Do, which has extended security into former insurgent safe havens in northern Nahr-e Saraj. Increasingly, ISAF patrols operate jointly with the ANA as partnering is rolled out. Of course, there are risks associated with partnering and we are trying to reduce them to a minimum, but partnering is the quickest, most effective, and so the safest, way to build a capable Afghan national security force—the key to bringing our forces home.

Failure would not only risk the return of civil war in Afghanistan, which would create a security vacuum; we would also risk the destabilisation of Pakistan with significant regional consequences, as the hon. Member for Ilford South (Mike Gapes) correctly pointed out. The second reason why we must not fail is that it would be a shot in the arm to jihadists everywhere, re-energising violent, radical and extreme Islamism. It would send the signal that we did not have the moral resolve and political fortitude to see through what we ourselves have described as a national security imperative. Premature withdrawal of the international coalition would also damage the credibility of NATO—the cornerstone of the defence of the west for more than half a century. Our resolve would be called into question, our cohesion weakened, and the alliance undermined. Our influence over the region and our contribution to wider stability would be severely diminished.

Angus Robertson: Will the Secretary of State confirm that the central policy for the intervention in Afghanistan is still based on support for Afghan institutions and their ability to govern in Afghanistan? If so, why has he not mentioned what is happening at present, which is the wholesale collapse of that country's financial system around a coterie associated with the President of Afghanistan we are supposed to be supporting? Why has he not mentioned that so far?

Dr Fox: I shall come to a number of issues about the wider political element, but as the hon. Gentleman has raised it, I will say that the prime reason for being in Afghanistan is our national security: to ensure that the territory is not used again as a base for training and attacks by terrorists, the likes of which we saw on 9/11. It is to ensure that we degrade the threat, so that the Afghan security forces are able to deal with it themselves, without having to refer to the international community.

The second audience listening today is our armed forces and the wider defence community. They need to know that they have our support, not just for who they are, as my hon. Friend the Member for Beckenham (Bob Stewart) said, but for what they are doing and for the sacrifices that they are making. They need to know also that the ISAF coalition is providing all that they need to succeed in their mission. Our armed forces know that there is no such thing as a risk-free war, a casualty-free war or a fatality-free war. They accept that. They are professional people and volunteers every one. That is what makes them truly special. They want our support, not our sympathy. They want to be victors not victims.

In July, the Government agreed to a request from ISAF to deploy temporarily about 300 additional troops from the theatre reserve battalion in order to supplement the UK force of more than 9,500 troops and ensure that the progress being made in Operation Moshtarak was consolidated and exploited. The TRB will enable the redeployment of US forces in Sangin and of UK forces to central Helmand.

On 2 August, two additional RAF Tornado GR4s arrived in Kandahar, again in response to a request from the commander of ISAF for an increase in air support. Those aircraft joined the eight Tornados that have already been provided in order to support the multinational pool, not just our forces, and they have boosted the available flying hours by 25%, or an extra 130 flying hours per month. We announced extra funding for base protection and close-combat equipment and

[Dr Fox]

more counter-IED funding. All that will enable UK forces to consolidate the hold in central Helmand as the force there thickens, and to partner the Afghan security forces more effectively. It demonstrates our commitment to the coalition and to the ISAF strategy for Afghanistan.

The third audience who will be listening today are our allies and partners. They should be assured of Britain's commitment to the shared strategy, and of our determination to play our part in protecting not only our national security but that of our international partners. There are now more international forces in Afghanistan than ever, and that is allowing real progress on governance and development. However, just as a more secure Afghanistan will not come about without military means, it will not come about by military means alone, as my hon. Friend the Member for Colchester (Bob Russell) said.

At the Kabul conference in July, the international community supported the Afghan Government's vision of progress on security, governance, economic growth, the rule of law, human rights, countering corruption and reconciliation. There is a very long way to go on many of those fronts, and the Afghan Government themselves must understand that they need to make progress on many of them in order to take advantage of the improved security situation that the international coalition is bringing.

That political track, which runs alongside training the Afghan army and the military surge, is vital. In order to progress it, an Afghan high peace council will oversee a process towards a political settlement for all the Afghan people, underpinned by the $150 million peace and reintegration trust fund.

On 18 September, just a couple of weeks away, Afghanistan will hold its first parliamentary elections since the 1960s to be run entirely by Afghans themselves. The elections will not be perfect, and none of us should expect them to be, but they represent progress. Progress is being made on security and governance. It is hard and it is slow and it is very variable, but it is real, and as Afghan sovereignty grows, so the nature of ISAF's operations and the role of our forces will evolve.

What is clear to me, what was clear to the previous Government and what must be clear to our allies in ISAF is that, as responsibility for security is transferred to the Afghans, any draw-down in force levels must be done coherently by the alliance. It must be done by an international coalition, not by individual nations. The issue is about phasing out, not walking out.

We also need to strengthen the training mission even further. Some countries might have political or constitutional problems with sending combat troops. We are not happy about that, and we never have been, but we understand it. However, there is absolutely no reason why any NATO country cannot do more to help train the Afghan national security force; it is a measure of our commitment and resolve as an alliance.

The fourth audience listening to our debate today will be our opponents and enemies: insurgent groups, the Taliban, al-Qaeda and the violent extremists who support them. Some have claimed that, by talking of our determination to succeed within the time scale set out in the counter-insurgency strategy, we give succour to our opponents. That is not the case, and let me explain why.

Over the past few years the strategic position of the insurgency has begun to crumble. Pakistan is taking the threat seriously, and the safe haven that used to exist in that country is gradually being squeezed by the Pakistani security forces. Pakistan, too, is making substantial and significant sacrifices, among its civilian population and its military, as they hunt down al-Qaeda and violent extremists in their own country. We would do well to recognise that sacrifice.

Mr Bob Ainsworth (Coventry North East) (Lab) *rose—*

Yasmin Qureshi (Bolton South East) (Lab) *rose—*

Dr Fox: I give way, for the last time, to the hon. Lady.

Yasmin Qureshi: The right hon. Gentleman touched on Pakistan and the sacrifices that Pakistanis have made, but in these debates about Afghanistan nobody ever mentions the role that India plays and nobody deals with the issue of border controls. The Secretary of State will know that Afghanistan, Pakistan and Kashmir are linked. People in Pakistan—even in parts of Rajasthan such as Quetta, which has substantial links with Afghanistan—believe that the Indian forces play a considerable part in causing problems. I was in Pakistan at the weekend—in Quetta on Saturday, the day after the explosion there. I asked one of the drivers, "What do you think is happening here?" He said that the Indian intelligence agencies are involved, so I ask that, in the debate about Afghanistan, Pakistan and all the troubles that have been occurring, the role of India and its intelligence services also be considered.

Dr Fox: The hon. Lady makes an important point. I do not agree with her detailed analysis, but it is important to recognise that Afghanistan must be regarded in a regional context. All the nations involved in Afghanistan must bring to bear as positive an influence as possible on the regional questions that will help to determine a better dynamic than perhaps has been brought in the past. That will involve a large number of regional players, but in this case it is quite wrong to point the finger at India, as the hon. Lady has.

I apologise for not giving way to the shadow Secretary of State.

Mr Ainsworth: The Secretary of State knows that I agree with many things that he is saying, but I have one concern—well, more than one, but this is a particular concern—about one issue that he raises. He just said that he does not accept that, by talking about our determination to achieve certain conditions, we give succour to our enemies. But that is not what has been said. What has been said, in terms, by the Prime Minister and the Deputy Prime Minister is that, irrespective of conditions, combat will end in 2015.

General Petraeus has tried to say that all those decisions must be conditions-based, and I went to a meeting the other day with the Secretary of State's Parliamentary Private Secretary, at which he tried to say that we should think of those things in the way that General Petraeus has portrayed them. But that is not what the Defence Secretary's own Prime Minister and the Deputy Prime Minister have said. They have been absolutely

clear—and that is what concerns our armed forces, as the Secretary of State's hon. Friend the Member for Beckenham (Bob Stewart) and my hon. Friend the Member for Ilford South (Mike Gapes) said. Will the Secretary of State clarify the position? Is it as black and white as the Deputy Prime Minister and the Prime Minister have said it is?

Dr Fox: The Prime Minister made it very clear that, although we might have an extended role in Afghanistan, in training and further involvement in improving the quality of the Afghan national forces, the United Kingdom does not see that it should have a combat role beyond 2015. That is not entirely new. General McChrystal, before General Petraeus, made it very clear that it was part of the counter-insurgency strategy to ensure that the Afghan national security forces were able to maintain their own security by 2014; that was always part of our wider aim. Of course there will be continuing capability elements inside the Afghan national security forces which need to be dealt with, and we will have to be there in a mentoring and a training role for some considerable time. On top of that, the wider elements of reconstruction and governance in Afghanistan will require the non-governmental organisations and the wider international community to be there for a long time.

We are talking about one of the most difficult countries in the world in which to operate and in which to bring these things forward. However, it is quite clear that we cannot have an indefinite combat role, and that is what the Prime Minister has made clear.

Several hon. Members *rose—*

Dr Fox: I have taken several long interventions, and I am aware that this is the House's debate, not the Government's.

Paul Flynn: On a point of order, Mr Deputy Speaker. This is a new procedure. It is a special privilege to have Back-Bench business today, and we are rightly confined to speeches of eight minutes. What is the limit on Front-Bench speeches?

Mr Deputy Speaker (Mr Nigel Evans): Front-Bench speakers have been notified of how many people wish to take part in this debate, and it is clearly up to them if they want to take interventions. The Secretary of State has pointed out that he has taken a number, some of which were rather lengthy.

Dr Fox: It is very rare, Mr Deputy Speaker, to be criticised by Back Benchers for taking up more time on the Front Bench.

The Taliban have lost significant ground in their southern heartland. They failed to prevent the presidential elections which took place last year, and they will fail to prevent the coming parliamentary elections too. They are incapable of stopping the expansion of the Afghan national security forces. We have been targeting their bomb-making networks, and their leadership and command structure. Their senior leadership is isolated, their training is deficient and supplies are limited. Their individual instances of tactical success have not reversed this deteriorating strategic position. It is clear that the insurgency cannot defeat ISAF; nor can the Taliban achieve their goal of once again wresting control of the country—neither we nor the Afghans will let them.

Sir Menzies Campbell (North East Fife) (LD) *rose—*

Dr Fox: I give way, for absolutely the last time, to my right hon. and learned Friend.

Sir Menzies Campbell: I think that there are many in the House who want to hear the Secretary of State and welcome the opportunity to do so. Indeed, I think we should be grateful to him for his generosity in giving way.

I want to take the Secretary of State back to the terms of withdrawal. The shadow Defence Secretary rightly referred to what General Petraeus has been saying recently, but there is another dimension—the decision of President Barack Obama, who is on record as saying that he intends to start withdrawing troops by June or July of next year. That decision, of course, is not unrelated to President Obama's prospects for re-election: it is directly related to the electoral cycle. If President Obama fulfils his pledge, how does the Secretary of State think that that will be consistent with the outline of the British Government's position which he has just given the House?

Dr Fox: The American Administration have made it very clear that they are talking about the beginning of draw-down from its very highest level some time next year. That will coincide with the period when the Afghan national army is greater in number than the ISAF forces, so there is an element of logic to that position. However, President Obama has also made it clear that it was important to send a signal to the Afghan Government that they needed to have an idea of a time scale within which they would begin to develop the skills that they will need to be able to take over control and governance of their own country. Indeed, many believe that since the President embarked on that approach there has been a renewed sense of urgency in Kabul about exactly how the security forces were to be trained and the rate at which that occurred.

I believe that the Taliban's only realistic hope is that international resolve to continue the war will collapse before the Afghan Government themselves are effective enough to stand on their own. The message that we need to send from the House today is that that hope of the Taliban is an empty one. The steady development of the Afghan national security forces underpins the strategic collapse of the insurgent position. It is said by some that the Taliban have time on their side—that they just have to wait us out. To an extent, the opposite is true. Their window of opportunity to defeat ISAF before the establishment of increasingly credible and effective Afghan security forces has shrunk, is shrinking further, and will shrink further.

Our message to the Afghan people is a clear one, and it needs to be communicated by our deeds as well as our words. We are neither colonisers nor occupiers. We are there under a UN mandate. We are there as a coalition of 47 countries from across the globe. We are not in Afghanistan to create a carbon copy of a western democracy, and we are not there to convert the people to western ways. We seek the government of Afghanistan by the Afghans, for the Afghans. We insist only that it does not pose a threat to our security, our interests or our allies.

[Dr Fox]

When it comes to the defence and security of our country, we are at our strongest when we speak with one voice—when we are clear about what we are seeking to achieve and have the support of this House, and the public, for that endeavour. I hope that today's enterprise takes us one step closer to that.

2.25 pm

Mr Bob Ainsworth (Coventry North East) (Lab): I want to begin by joining the Defence Secretary in paying tribute to those soldiers who have lost their lives in Afghanistan since the House last met. Every day our troops in Afghanistan put their lives on the line to protect our national security, and we must never forget that. I also join him in the comments that he made about Dr Karen Woo.

As we have heard in the debate so far, many Members have different views on our presence in Afghanistan, but I hope that one thing we all agree on is the excellence of our armed forces and our duty to support them and to recognise their courage. We are in Afghanistan as part of a NATO mission under a UN mandate to protect our security because that country, under Taliban rule, became the safe haven for al-Qaeda terrorism. The Government can count on our continued support for a comprehensive strategy in Afghanistan that brings together military, political and development efforts. That is the only way to achieve success and enable the Afghans to take control of their own security.

The hon. Member for Gainsborough (Mr Leigh) said, before he left the Chamber, "Why don't we just do what we did in Libya?" Well, as I understand it, they sent a bomber in to try to kill the leader in Libya, Colonel Gaddafi. What tent or cave do we bomb in Afghanistan? It is ridiculous to suggest that that kind of strategy would bring success in Afghanistan. The only way forward, in my view, in the view of the coalition, in the view of the commander and in the view of all the troops to whom I have spoken, is a patient counter-insurgency operation to protect the people and deny the ability of the insurgency to take control of the country.

I congratulate our forces on having reorganised the Helmand operations, assisted with the inflow of the US marine corps, and reconfigured the operational areas in Helmand to get the maximum benefit from the new force densities now available. As part of that force rebalancing we have given over areas such as Musa Qala, and as the Defence Secretary has just clarified further, we now plan to do the same in Sangin, where we have tragically suffered many losses. We will soon have a concentrated area of responsibility in central Helmand valley, where we will be well placed to progress. The Defence Secretary was absolutely right to resist those who wanted to move to Kandahar and sacrifice the knowledge that we have gained at such a high price in Helmand.

There are now about 30,000 ISAF forces in Helmand province alone. It is, and always was, a coalition effort. However, with respect to our many allies, since 2006 Britain has provided forces that no one other than the United States was capable of fielding in that most difficult province. We have done so after taking military advice, and retired soldiers who wish to claim that we, the previous Labour Government, did not fully resource the mission, should reflect on that. They should also remember that we doubled the number of helicopters available, delivered hundreds of new vehicles and took tough decisions about cutting other military capabilities to provide more counter-improvised explosive device equipment. That meant that as the Chief of the Defence Staff, Sir Jock Stirrup, has said, our troops were fighting with equipment that was

"frankly the best that they've ever had"

Mr Matthew Offord (Hendon) (Con): The right hon. Gentleman has outlined what the Labour Government did, but will he also congratulate the current Government, who have decided to double the operational allowance and maximise rest and recuperation periods for those deployed? Does he believe that servicemen and their families will welcome that?

Mr Ainsworth: Yes, and I congratulate the Government on that. However, I would say to the hon. Gentleman that the changes were introduced at the same time as a freeze in service pay.

I have a couple more questions to ask the Secretary of State about things that I hope the Government will do in a timely manner. I do not know whether he is going to respond to the debate, because I know he has to leave the Chamber.

Force densities are not the only thing that we will need to succeed. We need the right equipment, and I wish to ask two specific questions about that. Last December I made some changes to the defence budget, partly to address some of the pressures ahead of the strategic defence and security review and partly to prioritise equipment for Afghanistan. That included an order for 22 Chinook helicopters. Why have the new Government not gone ahead with that order? The Secretary of State, the very man who continually criticised our record on helicopters, seems now to be allowing delay in that order, and I should like to ask him why. Equally, in the summer of 2009 I made it my business to intervene to put maximum speed and effort behind the development of a light protected patrol vehicle. Why have the Government not yet placed that order?

As we have discussed, the Deputy Prime Minister has said definitively:

"By 2015 there will not be any British combat troops in Afghanistan".

Yet in a debate that I attended earlier this week the hon. Member for Bournemouth East (Mr Ellwood), the Defence Secretary's Parliamentary Private Secretary, said that we should think of that announcement in the same terms as General Petraeus's clarification of the US position. He said that there were a lot of conditions, and that there would still be special forces there. I absolutely agree with the Defence Secretary that we must be as clear as we can with all the sets of people involved in such an important matter as our intervention in Afghanistan, but the situation is currently not clear.

There appear to have been definitive statements from both the Prime Minister and the Deputy Prime Minister that irrespective of what happens, the combat mission will end in 2015. The Secretary of State knows that that is causing angst both within and outwith our armed forces. He did his best today to finesse that argument, but too many intelligent people who follow the record carefully know that there is a problem. Unless there are

conditions-based timelines rather than an arbitrary finish date, the success of the mission is not helped. He need only read this morning's edition of *The Daily Telegraph* to see the confusion that can occur, with people believing that Sherard Cowper-Coles's departure indicates that the Government no longer have comprehensive determination to pursue the mission in Afghanistan.

Dr Julian Lewis (New Forest East) (Con): Does the shadow Secretary of State accept that the reason why both President Obama and our Prime Minister seem intent on setting deadlines is the high level of casualties being incurred? Does he accept that if they did not set a deadline and continued with the current strategy, we could end up having that high level of casualties for perhaps another 20 or 30 years? Will he consider the fact that given a choice between taking too many casualties for a very long period or, perhaps, very few casualties through precipitate withdrawal, we ought to go for an intermediate strategy that has no deadline but does not incur the same number of casualties? That is the basis of the amendment that I shall move later, which I hope the right hon. Gentleman might consider encouraging his party to support.

Mr Ainsworth: I know the hon. Gentleman's views and that he has tabled an amendment to the motion. He has spoken on this issue previously, and he has given a lot of thought to it, but the reason he gave is not one of the reasons given publicly for the strategies that are being pursued. Perhaps we need a debate in this country on whether we are sufficiently steely or enduring to pursue prolonged counter-insurgency conflicts, but that is not the reason for the Government's strategy. If it is, let the Government encourage such a debate and let us have it in the House. However, what he says is not what the Government are saying. He has added yet more complexity to the reasons for what the Deputy Prime Minister and Prime Minister are saying.

Derek Twigg: Perhaps there is some clever strategy to say to Karzai, "You've got to get your act together. We're getting out in five years so get it sorted," but I would find that quite bizarre given the nature of Afghanistan politics and Karzai. However, there is another question. If we are 100% committed because Afghanistan is so important to our national security, why are we imposing a five-year deadline? I cannot find an historical precedent for that.

Mr Ainsworth: I have heard lots of reasons given for that, and we just heard another from the hon. Member for New Forest East (Dr Lewis). There is a genuine need to put pressure on the Afghan Government to make the necessary improvements in governance and security force capability—that is perfectly legitimate, as the Defence Secretary says—but we will not do that by giving succour to the enemy, as General Sir Mike Jackson said we may well be doing. The Government need to get to grips with that.

Mr David Hamilton (Midlothian) (Lab): Is it not also the case that not going ahead with the helicopter order allows speculation to continue to grow that we are not in Afghanistan for the long haul?

Mr Ainsworth: That most certainly has the potential to encourage speculation. People will speculate that the helicopters have not been ordered—they will not arrive until 2012—because they will not be needed. That adds to the Government's difficulties with their message on Afghanistan. Conservative Members condemned our policy and said there was a lack of foresight before they election, but they are now delaying decisions to order helicopters. They said one thing in opposition and say another thing in government, but they must expect to be held to account.

Sir Menzies Campbell: Is not the outcome of the defence review another element that will influence people's perception of the Government's intentions? I know no more than anyone else, but if, for example, there were to be a reduction in the number of infantry battalions, irrespective of our intentions, people will perceive that our capability for a longer period in Afghanistan is materially affected.

Mr Ainsworth: As the right hon. and learned Gentleman knows, we will have the opportunity to discuss the defence review and the future of our armed forces next Thursday, but there are some real concerns. Those who in opposition complained about the number of helicopters are delaying a decision on helicopter numbers now that they are in government. Those same people also said in opposition that we should have three extra battalions in the Army, but they now appear to be saying that we can take 5,000 or 10,000 heads out of the Army. That is a debate that we will have next week. I want our troops to come home as soon as possible, and I want pressure for progress to be put on the Afghan Government, but that must not be done at the price of giving comfort to the Taliban.

This week reports emerged—and they have been alluded to already today—that injured war heroes from Afghanistan and Iraq may be forced out of the Army. The Defence Secretary tried to suggest that this was a Labour policy, but it was not. Nobody injured would have faced compulsory discharge. That was made clear by General Richards and my hon. Friend the Member for North Durham (Mr Jones),the then Veterans Minister, when they announced the Army recovery capability policy earlier this year. I hope that the Minister will tell us today whether the Government intend to force injured soldiers out of the Army. Those who have made these heavy sacrifices for us deserve our gratitude: they do not deserve to be treated in this way.

We have always said that the Government have our full support as they proceed to take difficult decisions in the best interests of our mission in Afghanistan and our troops who are doing a fantastic job. But the Government cannot expect to get away with false criticism, mixed messages and empty promises any longer. We have a duty to hold them to account.

2.40 pm

Mr James Gray (North Wiltshire) (Con): It is a pleasure to follow the right hon. Member for Coventry North East (Mr Ainsworth). Unfashionably, perhaps, and on a personal rather than a party political level, I always greatly enjoyed our exchanges when I was chairman of the all-party group on the armed forces and he was Secretary of State. He was a member of a useless Government, but he was a first-class Secretary of State, as his speech today testifies.

[Mr James Gray]

My right hon. Friend the Secretary of State gave us a tour de force explanation of why we are in Afghanistan and why it is so important that we should remain there. It was an important speech that will be listened to and read carefully by the four audiences that he correctly delineated. We are being watched in our debate today in a similar way to which that famous debate in the Oxford Union in 1933 on the motion

"That this House will in no circumstances fight for its King and Country"

was watched by Nazi Germany. It is therefore important that we should be careful about what we say and do in this Chamber.

I hope to remain in order if I touch not so much on why we are in Afghanistan and whether we should remain there, but on the way in which we consider whether we should do so. I strongly support the new Backbench Business Committee, and it is superb that it is addressing the imbalance between Parliament and the Executive. I also broadly support the conclusions of the Public Administration Committee before the election that going to war—or, as in this case, remaining in a theatre of war—should be a matter for substantive debate in this Chamber. But there are real dangers inherent in that approach. It is interesting to note that in the long history of this Parliament there has been only one vote thus far on the substantive question of whether to go to war. For the second world war, the Falklands war, the first Gulf war and so on, the decision was made on a motion for the Adjournment. The only substantive vote that we have ever had on going to war was in 2003 and the war against Iraq. Many of us who were opposed to that war and believed it to be probably illegal do not necessarily believe that a vote in this House to support the war somehow justified it.

We also have to think about the consequences of a yes vote in the Lobby this evening and what that would mean for morale on the ground in Afghanistan. Or let us imagine a narrow result, with the House divided more or less 50:50. What message would that send to the four audiences mentioned by my right hon. Friend? It is unlikely to happen, but let us imagine that some other Parliament voted no in such circumstances. It might happen that a good war that should be waged would be voted down for political reasons. Such votes can have very serious consequences.

I do not wish to caricature what people have said about the war in Afghanistan, but I suggest that two broad arguments have been advanced in the debate this afternoon. The first is—and it is also my view—that if we were not in Afghanistan we would give succour to al-Qaeda, with consequences for security here at home and throughout the region. It is important that we are there doing what we do for that reason. The other broad argument, which has already been passionately advanced and no doubt will be repeated later, is that it is a waste of time being there. After all, the argument goes, we lost three Afghan wars, the Russians could not win there, there is no known enemy and we do not even know who the Taliban are. The entire thing is therefore a waste of time and every one of the 333 soldiers we have lost gave their lives needlessly. I think that that argument is wrong, but people have advanced it.

However, neither argument is entirely correct—in fact, we do not actually know; these are enormously complicated and difficult matters. Although I accept that there are people in the Chamber who know about these things in great detail, I hope I speak as a relatively average Back-Bench Member who has followed these matters closely for a number of years when I say that I do not know in detail whether what we are doing in Afghanistan is right, wrong or indifferent. I should not set myself up as some kind of guru who knows those things. There are occasions when the House should say that there are people who know about these things, and that we do not. That has been the principle behind the royal prerogative that the Executive has always used to go to war.

There are consequences if we do not accept that argument. The first and most important is that we politicise warfare, which would send out very serious messages to our men and women on the front line. The second argument is more complex but more worrying: were a Secretary of State to come to the House to persuade us of a particularly controversial or difficult war—possibly in a narrowly divided House—he would have to explain to us the full intelligence lying behind his reasons for being in a theatre of war or going into one. He would have to lay out details of intelligence, and I am not certain that it is right that we should know about that. On Iraq, for example, the then Prime Minister had Privy Council terms discussions with the Leader of the Opposition and other Ministers. That was correct, but I am not certain, as a Back-Bench Member, that I should be told every minute detail of the military intelligence available to us.

Rory Stewart: Will my hon. Friend please tell us how the public are supposed to control a war or generals except through the House?

Mr Gray: My hon. Friend makes a good point. Of course, the House is answerable to the public for what it does, and of course at a general election it is right that the Prime Minister should go to the public and say, "Here's what I've done during the last Parliament." That applies to a wide variety of decisions that are not subject to a vote in this place. The second world war, the Falklands war and the first Gulf war were all conducted without a vote in this place, but the Prime Minister and the Government were none the less answerable to the public. Simply to say that having a vote here is the only way we can be answerable to the public is simplistic and not correct.

There is also a concern about what the consequences would be for the Backbench Business Committee of different outcomes of tonight's debate. Suppose for a moment there were to be a no vote—it is very unlikely—and the House voted not to leave our troops in Afghanistan. What would then happen? Would the Government say, "Very well, the House of Commons has voted against staying in Afghanistan, so tomorrow we will order an immediate withdrawal." I doubt that would be the case—indeed, I hope that would not be the case—and if it is not the case, what is the purpose of voting no? Does that not in itself undermine the force of the Backbench Business Committee? However, if the answer tonight is yes, does that mean we are staying in Afghanistan indefinitely? Does it mean that we support what the

Government have said about withdrawing in 2015? What is the force, the importance, the wisdom of the vote we will take this evening?

Caroline Lucas (Brighton, Pavilion) (Green): As the person who tabled an amendment—and I would have liked to move it—calling for the withdrawal of troops from Afghanistan, I should say that had the House voted for it tonight, it would have sent out an incredibly strong signal that we recognise that our presence in Afghanistan is not making us safer. Even our own security forces raise questions about whether our presence in Afghanistan is making this country safer. A vote tonight would be a wake-up call to look at a different strategy in Afghanistan.

Mr Gray: Of course, the hon. Lady is right. It would send out a strong signal, a wake-up call and all the other things she said. I just wonder whether formal Divisions and motions of this kind in the House are designed to send out signals and messages in the way she described. If the House votes that we do not wish to be in Afghanistan, surely it is right that the Prime Minister should be instructed to withdraw troops from Afghanistan. How could it be that the majority of Members, who are answerable to the electorate, could say, "We have decided to withdraw from Afghanistan," but the Defence Secretary and Prime Minister then say, "Well, despite what you said, we do not intend to withdraw"?

There is an extra complication, which is this. Let us imagine that the House were to vote for withdrawal and that there were to be an election in a year or two. What would bind the following Government, who might be of a different party from the current one? The strength of Backbench Business Committee motions, which I strongly support, is undermined by having a vote on something that is impossible for the Government then to carry out. That is something that the Committee perhaps ought to consider.

I very much hope that we will vote overwhelmingly in support of what our troops in Afghanistan are doing, which I strongly support personally. Every single bereaved family whose eyes I look into down the High street in Wootten Bassett, once or twice a week, would not understand it unless we sent out an enormously strong message that we firmly support what those lost soldiers have done in Afghanistan. If we do not do that, we will also be sending a message to the Taliban—the enemy—that we in this place do not support our troops on the ground. I would therefore prefer there to be no Division. I would like to return to the old tradition in this place, which is that the message to our troops on the ground is that this House unanimously supports them. I will be supporting the motion this evening—I will be in the Aye Lobby, as I hope 95% of Members will be. Even better would be to have no Division, but to send a unanimous message to our troops on the ground.

2.51 pm

Mrs Madeleine Moon (Bridgend) (Lab): Like other right hon. and hon. Members, I have taken great offence over the past week at comments by Lieutenant-Colonel Michael Manning of US Marine battalion command in Afghanistan. He claimed the British did not pursue the Taliban and said, "We'll go after them," implying that our troops had stayed safely hidden in their bases. Not content with traducing the bravery and commitment of our British soldiers, Colonel Manning went on to criticise British reconstruction efforts by the Department for International Development. That is dangerous talk at a time when the British public are wearied by the mounting death toll, mounting financial costs and the perceived lack of progress in the war. I therefore welcome today's debate, because it is time to put the record straight. It is time to take stock of why we are still in Afghanistan nine years later, and to look at what has gone wrong, how we move forward and what we need to get right before we can leave.

We need to remember that in the beginning it was US finances that helped Pakistan to create the Taliban, along with other Islamic fundamentalist groups, which were developed as a tool to fight against India in Kashmir and the Russians in Afghanistan. It was the Taliban who welcomed and supported al-Qaeda. When war was declared in Afghanistan, the US continued to fund the Pakistan military, which in turn continued to fund the Taliban, providing a safe haven for both them and al-Qaeda. America has been fighting a war against al-Qaeda. Destroying al-Qaeda has been its priority, not freeing and reconstructing Afghanistan. Pakistan's military has been fighting an ongoing war against India, using its fundamentalist forces to maintain instability in Kashmir and using the Taliban to ensure a pliable neighbour, not a democratically independent Afghanistan.

The Bush regime made the Defence Department, not the State Department, responsible for the major decisions made in Afghanistan, including in reconstruction. The failure, right from the start, to put in the great amounts of money, effort and commitment needed to reconstruct a strong central state in Afghanistan was a major factor in allowing the Taliban to regroup. Too many decisions were based on hunting for al-Qaeda, rather than on reconstructing and improving ordinary people's lives, and rebuilding the state. That, followed by the change of military and financial focus to Iraq, allowed the Taliban to regroup, occupy the south and build the heroin trade, ready for the new offensive.

When British troops moved into southern Afghanistan, they encountered problems because there had been virtually no US intelligence or satellite monitoring in the south. The Taliban had been allowed to grow, to develop their drugs trade, and to use that trade to fund their insurgency. We are still there because Afghanistan has been a proxy setting for other wars. Money poured into the hands of war lords and their militias, not into building a viable state, into focusing on reconstruction, or into building a police and justice system and an independent army. British troops have also been fighting against the loss of moral authority of western forces following the US promotion of torture, rendition, disappearance and secret jails, all of which have aided the growth of Islamic extremism.

We sent troops into Afghanistan to fight terrorism and a vicious fundamentalist regime, and we have ended up fighting terrorism funded by drugs. This brings me to a grave concern about the future direction of the war. Admiral Mike Mullen, the chairman of the US joint chiefs of staff, has said that we must apply our learning in Colombia to places such as Pakistan and Afghanistan. That is not the path to take. I spent a week in Colombia taking evidence from people whose family members had been assassinated by the state. I saw how the military in Colombia had been used to "disappear"

[Mrs Madeleine Moon]

people in an attempt to create an impression that the drugs lords were being tackled. We do not want to go down that route in Afghanistan. We do not want to find mass graves that have been created by the Afghan army in the fight against drugs. To avoid going down that route, we must not hand power over to paramilitaries or to local defence forces in our desire to leave Afghanistan. It is the Afghan national army and the Afghan national police force that must take on those roles.

Reconstruction and redevelopment must be better organised and targeted. Aid must be controlled by the Department for International Development, by civilian groups and by non-governmental organisations. The military must be there to provide the security, but it is the civil society that must build the civil structure of the future Afghanistan.

Jonathan Edwards: Will the hon. Lady give way?

Mrs Moon: No, I do not have enough time.

Cornel West has said that

"peace is the presence of justice".

The absence of justice has become one of the primary recruiting tools for the Taliban. That is why I believe that building an effective police and justice system is essential for the future Afghanistan. An article in September's *Prospect* magazine states:

"The repression of women and the assault on certain freedoms was a small price to pay"

if the rise of the Taliban stopped the wholesale rape and slaughter in Afghanistan. I do not see a world in which women have their noses cut off for running away from violent and abusive husbands, in which they are denied education and the right to medical help, and in which they are stoned to death for alleged infidelity as a "small price to pay".

We need to be in Afghanistan to build and create a better society, and we must be aware that to fail would be to risk instability throughout the region. Our troops will be fighting wars for many years to come if we do not stay and fight until the end.

2.59 pm

Mr James Arbuthnot (North East Hampshire) (Con): When we went to war in the autumn of 2001, unlike with Iraq, there was no serious disagreement over why UK troops were being sent to Afghanistan in the first place, but nine years later, after nearly a decade of allied military operations, there have been changes of President, changes of Prime Minister and changes of Governments. The emotional commitment of the international community to what we are doing in Afghanistan has undoubtedly diminished. Our stated purpose in being there has evolved not once or twice, but several times. We are now less interested in al-Qaeda's presence in Afghanistan than its presence in Pakistan.

For all those changes, we seem to have returned to the use of the word "war"—I have used it myself—but I am beginning to wonder whether it might be a mistake. It amounts, I think, to an over-simplification of why we are in Afghanistan. Although it allows us to ratchet up in people's minds why we have sent our troops into harm's way and quite how serious it all is, it over-simplifies by implying that there is something to be won or lost and by suggesting that there is something clear-cut going on, with a high degree of finality to it. We have thus created a series of expectations, which history suggests are completely impossible to meet.

I believe that our presence in Afghanistan should be seen as part of a wider global security mission in the middle east region as a whole, and that we should begin to explain it in those terms. The stability mission already exists in different places and in different forms—whether it be in the middle east peace plan, the sanctions against Iraq or the international aid given to Pakistan after recent disasters—and the public broadly understand these priorities. They also accept why we should give our priority to them. They accept that the stability of each of the individual nation states, of their people and of their rights and needs, is absolutely crucial to the world. People understand why, if these people and nations are stable, secure, free and prosperous, it makes it less likely that we will face another 9/11.

I believe that it is now our task as a Parliament to link together the different jigsaw pieces, to explain why they all connect to each other and to include Afghanistan. Only by linking those pieces together will the public see that we have a choice as to whether the picture being formed is either broadly encouraging or deeply worrying.

Defence and security are policy areas that people consume, just as much as they consume transport, education and health spending. However, this policy area becomes important only when things begin to go wrong, so things have to be explained to the public much more carefully than other issues that the public consume. For politicians to provide the explanation or give the narrative on the conflict will not be persuasive in a context where the public perceive—although I do not—Prime Minister Tony Blair as having lied over the war in Iraq. Politicians are not persuasive against that background. In the light of the allegations and counter-allegations over Iraq, and of the disastrous lack of post-war planning in Iraq, which we now all recognise, the people have lost their faith in the need for conflict and in our ability as politicians to demand it. I believe, however, that the conflict in Afghanistan is much more important and much more difficult than the conflict in Iraq ever was.

I do not think that there is a fatigue among the public for war as such. I could be wrong, but in my view, if the public believe that we have a strategy likely to succeed, they will support it. At the moment, I do not believe that that has been demonstrated, which is why they are losing their appetite for this war. There is also a deep mistrust of the politicians who preach it to them.

Steve Baker (Wycombe) (Con): My right hon. Friend may know that in Wycombe, Afghanistan is an issue of exquisite sensitivity. Many of my constituents hail from Pakistan and Kashmir. I really admire his nuanced and wise speech, but does he agree that it is vital to address various sections of the public to explain that this conflict is actually in the interests of Pakistan and of the Afghan people, and not just in our own interests?

Mr Arbuthnot: I entirely agree. We must take not just our own public with us but the public of those countries where we are based and where we desperately need to help them. My hon. Friend's constituency work will do a great deal to help in that regard.

I agreed with the shadow Secretary of State for Defence that the answer to the mistrust of politicians is not to set an end date to our commitment in Afghanistan. When the Prime Minister made his comment, I said that if our priority is to leave, it makes it harder to succeed, whereas if our priority is to succeed, it makes it easier to leave. Of course, we do not want to be in Afghanistan for a moment longer than necessary, and of course the Afghans want us to leave as soon as the job is done and success is achieved. However, they do not want us to leave before that point is reached. The problem is that we do not know now when that will be.

Commitments made now to leave merely fuel the loss of appetite and the mistrust of which I talked earlier. The media are acutely aware of that loss of appetite and that mistrust, and that feeds into the hearts and minds of our military personnel, who do their job brilliantly. However, if their mums and dads find that the man on the street cannot explain to them in simple terms why they are doing their job, they are bound to feel unease, especially when they suffer casualties. We must give them a developed justification, and we must not be afraid of complexity, of nuance—I thank my hon. Friend the Member for Wycombe (Steve Baker) for his comments—or of truths that might appear difficult. Sometimes conflict is popular, and sometimes it is not. Sometimes it is both popular and unpopular, especially when seen in hindsight. However, the man in the street must be able to reduce the argument for a conflict to perhaps a single sentence.

If the middle east peace plan fails, if Iran obtains a nuclear bomb, if Pakistan's infrastructure is not rebuilt after the recent floods, its education system not invested in and its nuclear weapons not protected, and if Afghanistan is some sort of grand linking corridor between the three countries, becoming a vacuum that is a trigger for nuclear war, the potential consequences are catastrophic. We do not face any of those fears being realised individually yet; we face them being realised simultaneously. The result could be shattering. We must act now, in simultaneous regions, to prevent that end point ever being reached. We cannot afford to pick and choose which interests should be prioritised; we must see them all as a wider narrative of global security, and we must see them through. The public are well able to take that narrative and to understand that case, and we should not be afraid of making it.

3.8 pm

Mr David Winnick (Walsall North) (Lab): In view of what I am about to say, let me repeat what I said in an intervention on the hon. Member for Beckenham (Bob Stewart): I pay tribute to the British soldiers who have served, to those who have died and, unfortunately, to the many who will die in the course of the next 12 months and longer. It is to be hoped that the spending cuts will involve no reduction whatever when it comes to looking after and giving every possible medical help to those who are seriously injured, when they return to Britain.

For some time, I have taken the view, which I have expressed on the Floor of the House, that our military role in Afghanistan should be coming to a close. Let us look at the period of time involved. British troops went into Afghanistan before the main NATO force, in November 2001. Our military intervention there has lasted nearly nine years, one third longer than the second world war and twice as long as the first.

Of course, no Member on either side of the House disputes the sheer brutality of the Taliban rule. No one disputes the Taliban's contempt for those who do not share their views, their contempt for women, and their denial of education to people simply because they are female. All that is horrifying. We also know, only too well, about the public executions—the hangings that took place. We should, however, bear in mind what has been said by the Secretary of State for Defence, to some extent today but in particular when he took over the job last May. He said then that Britain was

"not in Afghanistan for the sake of the education policy"

in what he described as

"a broken 13th-century country".

It was, he said, "our global interests" that must not be "threatened".

It should be made clear to those who say that to leave Afghanistan would be to leave it to the mercy of the Taliban that we are not there to provide an alternative Government, to the extent of pursuing different policies. I concede with no hesitation that the presence of British forces and, of course, our allies in Afghanistan has made a difference that has been welcome in many ways. More women go to school, and other clearly desirable policies are being pursued. We must understand, however, that—as the Defence Secretary has made abundantly clear—we are not in the country for that reason.

Dr Sarah Wollaston (Totnes) (Con): Does the hon. Gentleman not accept that if we walk out of Afghanistan now, we will leave it to those very people, the Taliban? Does he want a bloodbath for the people we would leave there?

Mr Winnick: Obviously no one in the House wants a bloodbath. As for whether Afghanistan would be left to the Taliban if we went, we just do not know, but it should be borne in mind that at no stage did the Taliban have unanimous support as such. Before our military intervention, there was already constant military engagement against the Taliban in Afghanistan.

Rehman Chishti (Gillingham and Rainham) (Con): Will the hon. Gentleman give way?

Mr Winnick: Not for the moment. I want to make some progress.

Members on both sides of the House have said that there is no question of an outright military victory. Those, such as the hon. Member for Totnes (Dr Wollaston), who have more or less suggested that we should stay in Afghanistan indefinitely, must ask themselves, "How long?"

It has already been admitted that a military victory is not going to happen. General David Richards, chief of the British Army and, as we all know, soon to be Chief of the Defence Staff, said only three months ago that it was his personal belief that talking to the Taliban should happen pretty soon. That has happened in other counter-insurgency campaigns, he said. There is no doubt about it: the chief of the British Army has conceded that military victory, in the sense of the victories in the first and second world wars, is not going to happen. It is not on the agenda. At some stage, talks will take place; the question for the House is when.

Rehman Chishti *rose*—

Mr Winnick: I know that the hon. Gentleman is very eager to intervene, but I am limited by time.

Those who take a different point of view from those of us who are very critical should accept that General Richards knows what he is talking about. No Minister, and indeed none of my Front-Bench colleagues, has challenged what General Richards said. No Front Bencher on either side has said that he was talking nonsense.

Mrs Moon: It should be recognised that our troops are not there to impose education and new human rights standards on Afghanistan. Afghanistan has a constitution, which it put in place, guaranteeing women access to education and personal rights. Our troops are there to support the Afghanistan constitution and the legitimate Government of Afghanistan.

Mr Winnick: My hon. Friend does not answer the point I was making, however: how long will we be there for, bearing in mind that we have already been there for almost nine years?

In order for us to wage such a war, it is necessary to have strong public support in the United Kingdom. Everyone rightly pays tribute to the troops—as I have done—but every expression of public opinion clearly shows that support in Britain for the military engagement in Afghanistan is slipping, and slipping fast. I want to make it clear, as I have on previous occasions, that my views are not influenced by opinion polls. If I felt strongly that we should continue in Afghanistan for a long period but that was a minority opinion, I would not change my view. No Member of Parliament should debate or vote on issues on the basis of opinion polls, but we should recognise that among the British public at large there is decreasing support for our engagement in Afghanistan, and I believe it will decrease still more. That is because the question arises—constituents have asked me this on numerous occasions—of how much longer we are going to be there for, for what purpose and how many more people will die there in what many people, including me, believe is an unwinnable war.

I do not accept the argument that has often been put that we either fight in Afghanistan or we fight on the streets of Britain. That argument was put by my party colleagues when we were in government and they no doubt still hold to it, and it is certainly the Conservative Front-Bench view as well, supported by many Back-Bench Tory colleagues. If we were to win in Afghanistan—if the Taliban were to be defeated—does anyone really believe that our security in our country would be so improved that we would not find it necessary to continue to take the measures we currently take to protect our country and people? The international terrorist network does not necessarily need Afghanistan. It was welcomed in the country in the past, and that was very much to its advantage, but I do not accept for one moment that if it did not have Afghanistan, the terrorist threat to Britain would be that much less.

I also want to refer to a report published this week by the International Institute for Strategic Studies. It is not a controversial body, and as far as I know it is not a particularly left-wing body. It argues, however, that the basis of NATO military policy in Afghanistan is simply wrong. Apart from other factors, it believes that our involvement—NATO's involvement—fuels the insurgency rather than undermines it.

I do not accept that we can have victory in Afghanistan. When have foreign forces ever succeeded in that country? I take the view that, however desirable some of the policies carried out in Afghanistan arising from military intervention have been seen in that country bearing in mind what the Taliban did, NATO forces are looked upon by many people in Afghanistan who are far removed from the Taliban as foreign forces—as infidel forces, and certainly not Islamic in any way whatever. I find it difficult to believe that they look upon NATO forces as firm allies, rather than as intruders in their country.

I conclude simply by expressing the hope that, regardless of whether there is a vote today, we come to the view that we have been in Afghanistan long enough. The time has surely come for us to agree that our military engagement in that country should soon come to an end.

3.19 pm

Dr Julian Lewis (New Forest East) (Con): I beg to move amendment (a), at end add—

'provided that a more realistic military strategy is adopted designed to fulfil the United Kingdom's long-term interests in the region at lesser cost in life, limb and financial resources.'.

It is a privilege to have the opportunity to move the first Back-Bench amendment to a motion selected for debate in this House by Back Benchers themselves. I have a friend who is engaged to a corporal in the Army. He is a medic who has been on two tours of Afghanistan, the second of which he volunteered for before he had to go. As a medic, he is one of a small number of people who go out on every patrol because something horrible may happen to one of their comrades. He understands the importance of that vital role and so decided to stay on for two weeks longer than necessary at the end of his second tour, to avoid there being no proper handover to the medics who would succeed him.

In the second of those two extra weeks that he voluntarily undertook, on the second tour for which he also volunteered, he was blown up. He was in a new Husky armoured vehicle, so he and his entire crew survived. It is typical of his spirit that the picture of him grinning in front of the absolutely devastated vehicle now adorns the laptop of his fiancée, my friend. Had he been blown up a week earlier, he would have been in a Vector armoured vehicle and he and all his comrades would be dead. So, in this case, it is one up for the former Government and for the armed forces, but it is not one up for the strategy that we have been pursuing.

Over past months, I have made various inquiries about where casualties are primarily incurred, because the question of deadlines is related to casualties more than to anything else. The previous and present Governments have made no secret of the fact that the overwhelming majority of casualties are incurred on predictable patrols by uniformed military targets, which is what our armed forces have become under the current strategy.

For the sake of clarity—it is important that people following this debate should understand this, given what we are told about the audiences who will listen to,

see and read what we say today—may I spell out the difference between my amendment and the original motion? The motion is very simple and it states:

"That this House supports the continued deployment of UK armed forces in Afghanistan."

Those who think that the mission should be open-ended should therefore vote for the motion. If they think that the troops should come home straight away and that the whole thing is a lost cause, misguided and counter-productive, as some have argued today, they should vote against the motion. However, if Members think, as I do, that the mission is justified and important, but that it is not being pursued in the right way, they should consider voting for my amendment.

The reason for that was made clear when my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot), the Chairman of the Select Committee on Defence, so typically put his finger on the heart of the matter. As he said, it is true that if the public believe we have a strategy that will succeed, they will support the mission. Why is public support for the mission draining away? It is because the public are not satisfied with the strategy. That is why I propose adding the words of the amendment to the end of the motion.

Sir Robert Smith: Does the hon. Gentleman think that the coalition's move to much more of a political engagement to try to move things forward is the right way to proceed in order to bring the troops home in the long run? Does he think that we need to find a political solution on the ground, and that it is not so much the military strategy that has had to be refocused but the political context of that strategy?

Dr Lewis: The answer to that is yes and no: yes in the sense that all counter-insurgencies end, eventually, with a negotiated political outcome, which is what the hon. Gentleman is saying; and no in the sense that now is not the time to negotiate. There has been a lack of strategic consistency in the advice given to Governments. The hon. Member for Walsall North (Mr Winnick) referred approvingly to General Richards' recent statement that we ought to negotiate with the Taliban. What he did not state was the Taliban's response to that, as relayed through the BBC, which has some quite good contacts with the Taliban in a purely professional way. It was that they saw no reason to negotiate because they were winning anyway and deadlines had been set for withdrawal.

The strange thing is that this is the same general—he is a talented and charming man and I have had a number of conversations with him over the years—who said a few months ago when appointed head of the Army that we would need to be in Afghanistan for 30 to 40 years and that there was no question of our withdrawing. Now, because we are getting political messages from the White House and from Downing street that the Governments—or at least the leaders of the Governments—of the United States and the United Kingdom are not prepared to go on indefinitely, we are being told, "Oh yes, well perhaps we could get out in four years after all," and, "Oh yes, let's talk to the Taliban."

Mr Winnick: If the general has changed his view in such a substantial way, I welcome it. In my view, he has seen the light. If he was wrong on the subject of talking, as the hon. Gentleman is suggesting, why was he not contradicted by Defence Ministers at the time or by those who are now Ministers?

Dr Lewis: That is, of course, the reason for my amendment. I am saying that all the Governments are signed up to an unrealistic strategy which ought to be changed. The reality is that General Richards was not really wrong in what he said previously and he is not really wrong when he says that we ought to be talking to the enemy. It is a question of timing. The truth of the matter is that General Petraeus is absolutely right to pursue such a counter-insurgency strategy, provided that we have all the time in the world and that we are prepared to take the casualties that are being inflicted on us by irregular forces. If we are not prepared to take those casualties, we will have to adopt a more realistic strategy, because otherwise we will withdraw arbitrarily and, on our withdrawal, the likelihood of the Afghan Government's being able to sustain themselves is open to doubt.

What should we be thinking about in terms of our policy? There are those who believe that it should be possible to fight using special forces alone, and they have a particular point, which is as follows. I have been concerned at the artificial distinction drawn between counter-insurgency and counter-terrorism, as if insurgents and terrorists were two different things. Terrorism is not an ideology but a tactic. Sometimes insurgents use it and sometimes they use other methods.

In Afghanistan at first, the insurgents were using much more open methods—mass attacks and ones that enabled us effectively to take their armed forces on and to defeat them in fairly open conflict. Gradually, they learned the lesson from Iraq and adopted a different strategy. They started to use terrorism tactics that enabled them to pick off our servicemen and women one by one in an attritional method of campaigning which uniformed armed forces are unable to counter effectively. That is why the answer to such fighting is the deployment of special forces who can meet it appropriately; but that in itself is not enough. If we put pressure on one side by saying, "We are going to withdraw in a few years' time, President Karzai, so you had better get your act together", but we want to negotiate with the other side and to get a settlement, we have to put pressure on them too.

That is why I say that we ought to be doing something that I have mentioned in the House before: we ought to be using the time that has been bought by the surge to build up a strategic or sovereign base and bridgehead area, so that when the time comes at which we say, "We are going to withdraw from being thinly spread over the entire country", rather than quitting completely we withdraw into an impregnable base.

Time does not permit me to take this issue further, but I say simply to hon. Members on both sides of the House that there is nothing dishonourable in fighting for a better strategy for our troops—it is not sending a signal that we are not supporting the troops. To support the troops when they are being led by a faulty strategy is not to support the troops at all. I will be pressing my amendment and I urge Members to vote for it to show that we support the cause and the campaign but we know that the strategy needs to be modified.

3.30 pm

Jeremy Corbyn (Islington North) (Lab): I am delighted that we are at last having a debate on the situation in Afghanistan and the deployment of British troops there. It does not reflect well on Parliament, our parliamentary structures or our democracy that the vote at 6 o'clock will be the first substantive vote by Members of Parliament on whether British troops ought to be deployed in Afghanistan. It does not do much for the role of Parliament that there has been insufficient scrutiny of this endeavour other than the quite correct memorials that have been read out to those soldiers who have tragically lost their lives in this conflict.

In preparation for this debate, I had a look at *Hansard* from 2001. During the relevant 2001 debate, the then Secretary of State for Defence, Geoffrey Hoon, said that he would set out the aims of the mission. He said:

> "We aim to do everything possible to eliminate the threat posed by international terrorism, to deter states from supporting, harbouring, or acting complicitly with international terrorist groups, to reintegrate Afghanistan as a responsible member of the international community and to end its self-imposed isolation." [*Official Report*, 1 November 2001; Vol. 373, c. 1014.]

He went on to say that other aims included capturing Osama bin Laden and Mullah Omar. Well, the campaign has not been particularly successful on either the latter two aims or the earlier part.

At the end of that debate, the then Member for Linlithgow, Tam Dalyell, asked for a vote on a procedural motion and 13 Members voted against the proposal. There were four tellers, all of whom were against—one of them was my hon. and good Friend the Member for Hayes and Harlington (John McDonnell), who was, bizarrely, a teller for the other side—to ensure that a vote was recorded in the House on that occasion. It does not look good if a country and a democracy is so determined to go to war but those who are prosecuting the war do not want a vote in the House on the matter. I hope that those who support the war tonight will put up tellers to ensure that those of us who do not support either the amendment moved by the hon. Member for New Forest East (Dr Lewis) or the substantive question are able to record our votes against it on behalf, we believe, of large numbers of people in our constituencies and in the wider country.

The war came about after 9/11, which was obviously appalling, awful and wrong. Whichever way one looks at 9/11, there was nothing right about it—it was dreadful—but was it right, sensible or intelligent of the then President Bush to respond by leading us into a war in Afghanistan that has now lasted for almost twice as long as the second world war or the first world war? We are moving into the 10th year of the conflict in Afghanistan, and although President Obama talks about coming out within two or three years, I have a feeling that if the military is allowed to have its way we will still be there in five years' time or perhaps for even longer than that. The strategy does not seem to involve anything other than continuing the occupation of that country.

Kate Hoey (Vauxhall) (Lab): We have been told many times that one reason why we are in Afghanistan is to make us feel safer here and to protect us in our communities. Do we mix with different people from Opposition and Government Front Benchers? Does my hon. Friend get many people in his constituency coming up to him and saying, "Thank goodness we are in Afghanistan because we feel so much safer from terrorism now"? I do not.

Jeremy Corbyn: I live in and represent an inner-city area, and I have to say in all honesty that not one person in my community—not once, on any occasion—has come up to me and said that. Indeed, there is a sense of grievance among the Muslim community in Britain, partly because of this war but partly because of the substantial amounts of anti-terror legislation that have been a product of the war. They feel much less secure than they did in the past and much more isolated from the rest of the community. We should bear it in mind that foreign policy is not conducted in isolation and its effects are not felt in isolation.

Nadine Dorries (Mid Bedfordshire) (Con): Does the hon. Gentleman agree that if we were to withdraw, his constituents might then approach him to say that they felt nervous because they did not have protection from terrorism?

Jeremy Corbyn: Everybody wants protection from terrorism. Everybody wants protection from insecurity. My point is that our presence—the presence of British troops—in Afghanistan, and formerly in Iraq, has not made the streets of this country safer. The anti-terror legislation is often seen as intrusive. We should use the criminal law against people who commit criminal acts, rather than promoting large amounts of special legislation.

The effects of the war have been serious in many ways. We have seen the detention of—in some cases, completely innocent—civilians at Bagram air base; extraordinary rendition flights; Guantanamo bay, and the resulting legal minefield; and, as I have already said, the anti-terror laws in our country.

The growth of the Taliban and of particular organisations in Afghanistan is a product of the cold war. We have only to look at the record of what went on after the Soviet Union went in to support the then Afghan Government. The US supported the Mujahedeen, which morphed into the Taliban. They were trained by the US and the CIA. We are still paying the price for the cold war. Indeed, the bin Laden family enjoyed quite a close relationship with the Bush family for some time. The battles are not hermetically sealed.

Rehman Chishti: Will the hon. Gentleman give way?

Jeremy Corbyn: I shall not give way, as I have only two minutes left for my speech.

Afghanistan is a country of desperate poverty. Drug production has gone up. Corruption has got worse. Deals have been done by the British forces and others with warlords and corrupt elements. We have spent billions and billions of pounds in Afghanistan, but poverty levels are worse than ever. I have met asylum seekers from Afghanistan who have travelled to the UK overland by a series of trucks. They have entered illegally to try to find a place of safety. They are not particularly pro-Taliban or particularly pro-anybody; they simply want to survive and they see the US and Britain as an occupying force in their country.

Recent opinion polls show that only 7% of the British public think we are winning the war in Afghanistan and that 72% want the troops to come out. The public are fed up with the losses and fed up with the costs. They

feel that we should do something different. Many people believe that some of the reasons for going into Afghanistan were strategic, and they may have been. I am interested in those ideas. The US has developed bases all over former Soviet central Asia. The war has clearly already spread into Pakistan and is in danger of spreading to other countries too. There are undeveloped and largely unexplored mineral resources in Afghanistan, and one wonders what the long-term intentions are for them.

We are spending money on forces, security services and agencies to try to maintain our presence in Afghanistan. It is time we rethought our whole foreign policy strategy and started to look to a world where we work within international law rather than by occupation. We should recognise the failure of the whole mission in Afghanistan. It has done us harm. It has harmed our country and our lives, and brought death to a lot of wholly innocent people in Afghanistan. Is it not time to rethink, to come out and start a different, more peaceful strategy in the world?

3.39 pm

Rory Stewart (Penrith and The Border) (Con): I find this a very powerful, very troubling and very worrying motion. It states:

"That this House supports the continued deployment of UK armed forces in Afghanistan."

If one were to remove the word "continued", there is nobody in this House who would oppose the motion. Every Member, day by day, feels more admiration for what our soldiers achieve, more respect for the sacrifices that they have made and more pride in what they represent for our country. But the danger of the motion is that it is black and white: it sets up an opposition between the terms "increase" and "withdraw", and between "engagement" and "isolation". It creates a world in which people are tempted to say, either, "Afghanistan is the most important country in the world, the central, existential threat," or, "It doesn't matter at all."

There are two central questions. How much does Afghanistan matter? And what can we do about it? We have heard Members from both sides of the House make eloquent arguments about the significance and importance of Afghanistan, and it matters in five main ways. They should not be trivialised, because Afghanistan does, in a sense, matter.

First, Afghanistan matters in terms of counter-terrorism and 9/11. It was the place from which the 9/11 attacks were planned. Secondly, Afghanistan matters enormously in terms of narcotics. It produces the majority of the world's heroin. Thirdly, Afghanistan matters for us and our credibility. For nine years we have pinned our reputation and that of our allies to this adventure. Fourthly, as people have said, Afghanistan matters to Pakistan. There is an extent to which Afghanistan will have an influence on that state, which, as we have heard, is nuclear-armed, unstable and has jihadist elements. Finally, Afghanistan matters to its own people. Nobody in the Chamber wants the Taliban to take over, and nobody is in any doubt that they represent a brutal, horrendous and cruel form of government—utterly discredited from 1996 to 2001.

Paul Flynn: With the help of my hon. Friend the Member for Islington North (Jeremy Corbyn), I have just checked the record for 2001, when I intervened on the then Minister and said that there was no chance of reducing the flow of heroin from Afghanistan, which then stood at 90% of the world's production. The current figure is still 90%. What improvement has there been?

Rory Stewart: I thank the hon. Gentleman very much for his intervention, because it leads beautifully on to the second part of my speech. What can we do about the problem? Neither he, I, nor anyone in the Chamber doubts that there is a problem, but what can we do?

The answer has been gone over again and again, and General McChrystal has an answer in his report. What have we done? Broadly speaking, over the past nine years we have had successes in health, education, counter-terrorism, rural development and urban regeneration. We have had a series of other things, which we like to describe as challenges—in counter-narcotics, as the hon. Gentleman said, in counter-insurgency when fighting the Taliban, in the rule of law, in governance, in anti-corruption and in state building. And we have come to the conclusion that we have a talisman, a way of dealing with Afghanistan and a new solution, which is in that report and is called counter-insurgency warfare strategy.

We must wish the surge all our best. We have embarked on it and are committed to it, and that is where we are going. So let us hope that it works—however, there is a very real reason to believe that it may not, within the time frame that General McChrystal anticipated or predicted. In other words, when at the end of this year General Petraeus reviews the strategy, and when in the middle of next year President Obama begins the draw-down of troops, it is unlikely that we will have achieved McChrystal's two main conditions: sufficient pain inflicted on the Taliban for them to wish to go to the negotiating table; and, on the other hand, the creation of a stable, effective and legitimate state.

It is not the place of this House to talk about why those things are not possible, and we do not have time to talk about why we did not succeed. The central element is nothing to do with the British or American troops; it is to do with the Afghan Government. General McChrystal has said from the beginning that the only way we will win in Afghanistan is with a stable, effective, legitimate Afghan state. Without that, we are not going to win, and such a state is not emerging. Does that mean we can do nothing in that country? No—we can do an enormous amount, but we cannot crush the Taliban and create a stable, effective, legitimate Afghan state.

Jonathan Edwards: Is not another way forward to create a new constitution for Afghanistan that decentralises power to the ethnic groups in different regions instead of centralising power in the hands of one President who is very corrupt?

Rory Stewart: I thank the hon. Gentleman for that intervention. Of course, Afghans must be allowed to do their own politics, and whether they have a decentralised or a centralised state or recognise ethnic boundaries is up to them. Our role is to accept the limits of our power and accept that there are things we cannot do. There are things we can do, but they have nothing to do with troop surges or counter-insurgency. We must find a moment—this is why the 2015 deadline is absolutely correct—at which we say about the current strategy, "Enough, no more. We've done enough."

[Rory Stewart]

What then will we do after 2015? I suggest that with the end of UK combat operations in Afghanistan, we concentrate on three things: continuing limited counter-terrorism operations; continuing to support development projects, probably in the centre and the north of the country; and continuing to try to ensure a political solution, or, to put it another way, to decrease the likelihood of a civil war and increase the likelihood of a political solution by gaining leverage over the Taliban.

Is this as scary as we believe? Is this really the nightmare we have conjured? No. The Taliban are unlikely to be able to take over Afghanistan, because this is not the mid-1990s. This is not groundhog day—we are not repeating 1996. In 1996, when the Taliban came swarming into Kabul, mujaheddin were shelling each other in the centre of the city, the Afghan people were appalled by years of corrupt, abusive government, and the Taliban were untested—and there were no foreign troops on the ground.

Today we are in a completely different situation. The Taliban are discredited from the time when they were in government. There is much more coherence between the central and northern groups. There is very little likelihood of the Taliban being able to present a conventional threat. If they try to roll artillery or tanks up the main streets, as they did then, we can deal with that. That does not mean that they are not going to increase their presence in the south and east of the country—they almost certainly will. But even if they do, it is extremely unlikely that they will invite back al-Qaeda in the way that they did in 2001. From their point of view, that was their No. 1 mistake. If they had not invited in al-Qaeda, they would still be in power. Even if they do invite back al-Qaeda, it is something that we can manage. We have the willpower, the technology and the public support to deal with it in a way that we did not in the 1990s.

Derek Twigg: The hon. Gentleman seems to be suggesting—I have heard this in a number of spheres—that we abandon the south-west and south-east of the country and that the Taliban will move back, but they will not be as bad as they were last time. I do not know what evidence he or those who are pursuing this strategy have for that. He will recall that the Taliban started off in a very localised way in Kandahar and then moved up the country, and never once has there been peace throughout the country. I do not see how we can have trust in that situation starting again.

Rory Stewart: I thank the hon. Gentleman. I am not suggesting that the Taliban are nice people. These threats, and the fears and worries that we have, are very real. The Taliban are horrendous people. Terrorist threats from Afghanistan are genuine, as are the threats to Pakistan, to our credibility and to the Afghan people. However, the point is that "ought" implies "can". We do not have a moral obligation to do what we cannot do. After nine years, we have failed to demonstrate that the Afghan Government can take over control. Our troops can fight all they want, and they do it very well, but when we withdraw, the Afghan Government will not be robust enough to take over. We therefore need to accept that rather than what I, and the hon. Gentleman, would like, which is being able to guarantee the Taliban's disappearance, we need to contain and manage the situation.

What does this mean for UK foreign policy? It means beginning a new approach where we recognise—this is the central point that we would all agree on—that we have other priorities in the world. Afghanistan is not the be-all and end-all. We cannot bet all our money and all our troops on this one place. Pakistan matters more in terms of terrorism, Egypt matters more in terms of regional stability, and sub-Saharan Africa matters more in terms of poverty, and that is before we get on to Iran, North Korea or China. The lesson that we should take, and the reason why the 2015 deadline is correct, is that we should recognise the limits of our knowledge, power and legitimacy. And understand that although we cannot do as much as we pretend, we can do much more than we fear. The only wisdom is the wisdom of humility.

3.50 pm

Mr Geoffrey Robinson (Coventry North West) (Lab): I am very pleased to be able to follow the hon. Member for Penrith and The Border (Rory Stewart), who speaks with considerable authority and knowledge on these matters. I believe that he has served out in Afghanistan and lived there for quite a while. Nevertheless, I am still not entirely sure that I follow the logic of what he said. Perhaps I shall return to that a little later.

Like many other Members, I congratulate the Backbench Business Committee on selecting this debate. It is the first such all-day debate that we have had, and it is most important. When I say that unfortunately I cannot support the motion, I mean no disrespect to the Committee. I am not sure how the motion came to be drafted, but I cannot see how Members can support so open-ended and black-and-white a motion stating that the House

"supports the continued deployment of UK armed forces in Afghanistan."

There is no mention of a limited period, even though the Prime Minister himself has said—quite rightly, in my opinion—that it is inconceivable that we shall still be in a combat role by 2015. The Foreign Secretary agreed with that at the last Foreign Office questions, having made it absolutely clear that counter-insurgencies invariably end in a political settlement, which means talks. I shall come back to that in a moment. The Defence Secretary also agreed today, although he gave a mixed message. On the one hand he said that he wanted the troops to return as victors—a singularly ill-chosen word, since that is clearly not what will happen—and, on the other, he said that he knew there had to be a political solution.

If Members do not find themselves able to support the motion, as I cannot, that leaves us with the amendments. I congratulate the hon. Member for New Forest East (Dr Lewis) on tabling his amendment and having it selected, but when he explained the nature of his alternative strategy I had doubts about whether an impregnable, sovereign strategic base with an enormous number of troops could be established and function in the role that he envisages. He has not had time to develop his argument today, nor have I had the occasion to talk to him further about it. However, his amendment is somewhat difficult to vote for, even though I would like to be able to do so given that it states what I believe is essential, which is

that the current strategy is not working. While it is now said that we have learned to deal better with IEDs, the insurgents have switched their tactics and are now killing more and more successfully with sniper bullets.

Dr Julian Lewis: On a purely procedural matter, there is nothing in the wording of my amendment that commits hon. Members to backing any particular solution. I have given my own interpretation, but as long as the hon. Gentleman agrees with the wording of the amendment, there is no reason why he, and I hope other hon. Members, should not vote for it.

Mr Robinson: The hon. Gentleman is now at his most persuasive and irresistible best, and I will give the matter further thought during and after my speech.

As for the other amendments, while I agree with much in amendment (c), tabled by the hon. Member for Brighton, Pavilion (Caroline Lucas), it is inadequate in that it implies a cut-and-rush approach of getting out willy-nilly as soon as we can. I do not think that is on, or that the country would want to see us scuttle away. I believe that the only approach is the one that I outlined in an early-day motion that I circulated to most Members, which I hope will find support throughout the House. It arose from the message that came from the Taliban in August, which was the subject of a front-page article in *The Guardian*. It stated that the Taliban were open to negotiations and discussions about civilian deaths. That is a major problem for the allied forces and is central to the counter-insurgency strategy that was mentioned earlier, but it would not necessarily lead immediately to talks about how we could reach a political settlement involving the Taliban. I do not think that any other exit strategy makes sense. Unpleasant though it is to many, and although we may not get everything we need from talks with the Taliban, the sooner we begin them, the sooner we have a chance of achieving what the hon. Member for New Forest East and I want, which is a reduction in the unnecessary and awful killings that are taking place, including of civilians in front of their own troops. They are bound to continue if we pursue the current strategy under the terms under which our forces are operating.

We cannot simply cut and run, so I do not support the amendment in the name of the hon. Member for Brighton, Pavilion, but I will do my very best to meet the request of the hon. Member for New Forest East. I certainly cannot vote for the motion, which is defective and unacceptable because it does not give a time scale. Much though we may dislike time scales, Ministers are always asked, "How long will it last?" and they cannot dodge that and leave things open-ended. Time goes very quickly. If we are not up against a deadline, in no time at all we could find that there is mission creep and that the conflict expands. Before we know what has happened, we have built the conflict up to being about the defence of the whole western way of life.

Richard Graham (Gloucester) (Con): Does the hon. Gentleman agree that his logic is the same as that of my hon. Friend the Member for Penrith and The Border (Rory Stewart)? Effectively, that logic is to abstain on the basis that the proposed amendments do not accurately reflect what we hope for, which is the timed withdrawal that the coalition Government propose?

Mr Robinson: The coalition Government are realistic on the matter—I have privately congratulated the Defence Secretary on his realism—but he was today conscious that, if they were listening, people will take comfort if they think they have the prospect of winning the war against ISAF in Afghanistan. He therefore painted a more rosy picture than the situation on the ground would properly allow him, and sent a more hard-line message to the Taliban than necessary.

I agree entirely with the hon. Member for Gloucester (Richard Graham). It is now accepted throughout the House that there is no military victory to be won for either side in Afghanistan. The only prospect we have is of a few years—or many years, if we are not careful—of futile conflict that will get us nowhere. I am not saying that we should stop, which is where I disagree fundamentally with the hon. Member for Brighton, Pavilion in whose name amendment (c) stands. I cannot see the negotiations or discussions with the Taliban getting anywhere unless we remain in Afghanistan at our current strength and sustain our attack on them.

Indeed, from the early-day motion that I tabled, it was clear that the information, such as we have, is that we have a firm offer from the Taliban. The offer is not endorsed by the quetta shura—the central council in Pakistan—but comes from local commanders. Let us also bear in mind that 80% of the casualties occur within 10 miles. In other words, the fighting and deaths are very localised. We do not face an al-Qaeda insurgency campaign directed from outside; it is a local campaign.

The offer of talks, which appears to be serious, has emanated not from the top council leadership, which should encourage us to respond to it, yet as far as I can see, we are ignoring it. I entirely accept that the Government will say, "We can't tell you what's going on," but the Americans say that they see no prospect of talks going anywhere. Panetta says that the time to talk is when the Americans have increased the pressure so that the Taliban believe that they are losing, but I take issue with the hon. Member for New Forest East on that, because that approach would mean that there will never be a right time for talks. Either we are winning, and therefore we do not need talks, or doing badly, when talks would mean weakness. If we were doing better, we might think that if we did a bit more, we might win. There is never a right time. What we have learned from previous insurgencies of this kind, and much larger ones, is that the earlier we get talks going and see what we can get, the better people understand why we are fighting, and the better the chance of a solution.

Dr Julian Lewis: The correct time is when there is a stalemate, not when one side or the other thinks it is winning.

Mr Robinson: I agree, but it is difficult to send troops to fight in a stalemate. Even Mr Robert Gates, the US Defence Secretary, has said that he hates signing troop deployment orders when he is sending troops to fight in a stalemate. I take the hon. Gentleman's point, but who knows what a stalemate is anyway.

The message that we have to send tonight is that although we would love to see an ISAF victory, we do not believe that that is possible, and that the only way forward is discussions with the Taliban, realistic, hard and unpleasant though those would be. The sooner we

[Mr Robinson]

get into such discussions, the sooner the level of casualties will fall, and the sooner we would be able to bring the troops home. We clearly cannot bring them home before then.

4 pm

Mr John Baron (Basildon and Billericay) (Con): I cautioned against our initial deployment in Afghanistan and I have been critical of policy since, so I speak in this debate as a sceptic about our mission generally. There can be no doubt in the Chamber that the preparations for our mission in Afghanistan defied all the lessons of history. We fundamentally underestimated the task at hand and we under-resourced it accordingly. We have been playing catch-up ever since. Having served as a platoon commander in South Armagh during the 1980s, I have no doubt that our troops in Afghanistan suffered from equipment shortages, including helicopters, and from low troop density levels. History will prove that to be the case.

Part of the problem with our involvement in Afghanistan is that we have had a series of over-optimistic assessments, and people have rightly become cynical about what Ministers say at the Dispatch Box. All those assessments have proved to be false dawns. It is incumbent on leadership to assess the situation realistically, and we have failed to do that in the past—but that is the past, so what of the future? I congratulate the coalition Government in that we now at least have a more realistic assessment of the situation, but I still think that it is too optimistic.

The Prime Minister said on 21 June that we had to succeed militarily, economically and politically, but that is not the case. Militarily, we are as far from winning against the Taliban as we ever were. Recent reports suggest that the Taliban has expanded into even more territory. Our involvement ignores the lessons of history on counter-insurgency campaigns. For example, in Malaya and other successful counter-insurgency campaigns, we had control of the borders, a credible Government, the support of the majority of the people and a large number of troops relative to the local population. None of those conditions exists in Afghanistan, but we continue to believe that somehow we will win.

Paul Flynn: A further example of the optimism expressed by Government was in the Defence Secretary's contribution, when he mentioned how well things were going with our allies. However, he could not bring himself to acknowledge that Canada and Holland, which both made great contributions in blood and treasure to this war, have decided to pull out.

Mr Baron: I agree, and it reveals a wider problem of differences over strategy.

The second aspect mentioned by the Prime Minister was the economy, but there is scant evidence that progress has been made in that area. The economy is not in a good state. The trouble surrounding the Kabul bank is one illustration of that, and another is the fact that the some 9 million unemployed people in Afghanistan can earn in two months working for the Taliban what it would take them a whole year to earn if they earned the average national wage.

Politically, the situation is even worse. The Kabul Government of President Karzai is completely discredited. The elections were marked by fraud and violence. He is now trying to extend his term of office and local people are increasingly fed up with the high civilian casualty rate, partly caused by aerial bombardments. All that plays into the hands of the Taliban. The US Department of Defence, in its latest report to Congress, made the point that the most powerful weapon that the Taliban have is their propaganda machine. They ruthlessly exploit rising discontent. Kabul is depicted as a puppet Government and the west as an occupying force trying to impose its will. We in the west must better understand this point. High civilian casualty rates exponentially increase hostility. That might not force Afghans actively to support the Taliban, but it will certainly stop them opposing anyone who wants to kill those who have killed their loved ones.

It is interesting to note, looking around the globe and back in history, that communism has survived the longest in those countries that have engaged militarily with the west. One thinks of Cuba, North Korea, China and Vietnam. We are not winning the hearts and minds of local people because we cannot—we are an occupying force killing their brethren.

Perhaps the most worrying aspect of our involvement in Afghanistan is that our mission has suffered from a lack of clarity of purpose. We have had mixed messages. As recently as last year, the then Prime Minister said that we were in Afghanistan to keep the streets of London safe from terrorism, but almost in the next breath he threatened President Karzai with withdrawal should he not clean up his act. Those statements do not stand well next to each other. Even today, there is not that much more clarity.

If we are in Afghanistan to protect the streets of London and of our allies from terrorism, why are we setting a deadline and timetable? It simply does not make sense. Surely, if the mission is as important as is stated, our withdrawal should be dictated by the achievement of the objective, not arbitrary time lines. The Foreign Secretary has confirmed to me in this place and in Committee that we will be withdrawing in 2015 regardless of whether we have achieved our objectives. That simply does not stand up.

At some point, the solution will have to involve an understanding with the Taliban and the tribal warlords. It will have to reflect the reality on the ground and involve a loosely federated state in which power is devolved to the provinces. That does not prevent a small but mobile force of special forces from being on hand to disrupt al-Qaeda activities should it return, but the war, as currently constituted, cannot succeed.

The inconsistency of our strategy perhaps reveals that our presence in Afghanistan is as much about Pakistan as about Afghanistan. However, given the stated objectives and the diminished presence of al-Qaeda, we need to reassess the situation, enter into talks that make for an orderly withdrawal and move on.

I am afraid that, as an ex-soldier, I do not buy the line that by withdrawing, in an orderly fashion, we are somehow letting down our troops and wasting their sacrifice. Our troops have done everything we have asked of them, and we can all be proud of their achievements, but by and large they are a stoic bunch and believe that it is incumbent on the leadership to assess a situation realistically, because by doing so we

stand more chance of achieving our objective and perhaps saving lives. Needless effort and sacrifice will be saved over the longer term. We cannot win this war as it is currently constituted, and a leadership that acknowledges that will save lives.

Perhaps this debate will encourage us to rethink fundamentally our foreign policy more generally. For the sake of mankind, I hope that the days are coming to an end when military intervention is seen often as a first option. Military action should always be the last recourse. It is ironic that we went to war in Iraq and even the ex-MI5 chief now agrees that it increased the terrorist threat in this county, and yet we are now involved in another war to try to counter that terrorist threat. I will therefore be voting against the motion.

4.9 pm

Katy Clark (North Ayrshire and Arran) (Lab): I commend the Backbench Business Committee on choosing the motion. If the Committee had existed in 2001, perhaps there would have been an opportunity for a proper vote in the House before troops were deployed. I only hope that we are never again faced with having to consider whether to enter another armed conflict. However, I would also hope that if the Government were not willing to provide us with the opportunity to vote in such a situation, the Backbench Business Committee would have the courage to create the space for a debate and a vote on such issues.

There was a vote in 2001 on a technicality, and as has been said, 13 Labour MPs voted to make a protest, with a number of Tellers involved too. I was not an MP at that time, but I was involved outside this place in campaigns to try to stop the war, and I marched against it. They were small campaigns; there were not many hundreds of thousands of people on the streets at that time. It is probably fair to say that most of the British public were supportive of the intervention in 2001. That stands in stark contrast to the position in 2003, when, along with a far greater number of Members voting against the war in Iraq—139 Labour MPs broke the Whip and voted against the intervention—there were also massive protests and demonstrations. In terms of public support, therefore, the situation that we are debating today is very different from the situation in relation to Iraq.

However, it is also fair to say that most people in 2001 would not have believed that we would still be in Afghanistan nine years later. Most of the British public accepted the version of events that was put to them. At the time, the war was said to be about capturing the terrorists—al-Qaeda and, in particular, bin Laden. The tabloid press focused very much on that, but within a few weeks bin Laden's name was no longer being bandied around as what the war was all about. One reason why I was extremely concerned at the time about the proposed intervention was the lack of clarity about war aims. That lack of clarity has only intensified over the years, and a number of Members talked about the different war aims that have been claimed at different times over the past nine years.

In 2001, the human rights of women were given in Labour party circles as a reason why women in the party should support the intervention. That was done to pull at the heartstrings of people who were perhaps not sure whether we should pursue the intervention. There are many of us who very much feel for the women and girls in Afghanistan. We had severe concerns about human rights prior to 2001, and we have had them since then, not just for women and girls, but for all in the community. We thought that that was something maybe worth fighting for, if it were possible to achieve something meaningful in Afghanistan for the long term.

Although I am in no way trying to underplay any achievements that have been made or the fact that girls have had access to education as a result of the west's intervention, these are not achievements that it will be possible to sustain; indeed, they are not being universally applied throughout the country. We need only read the press in this country to learn about some of the human rights abuses and the terrible situations that women in Afghanistan face—my hon. Friend the Member for Bridgend (Mrs Moon) touched on those—or about how women who are accused of infidelity or who refuse to co-operate with the men in their families are treated. Many of those abuses are happening legally in Afghanistan because, for cultural reasons, values that we would regard as acceptable are not necessarily those which that society signs up to.

My concern is that those values are not going to change, irrespective of what happens to the motion today and of whether western forces stay in Afghanistan for many years, or withdraw immediately or over a short period. It is not in our power to change the value system in that country, and a forced, military intervention is perhaps the least best way of winning hearts and minds.

I did not support the intervention in Afghanistan at the time, not only because the war claims were unclear but because of the history of the region. Even my poor knowledge of the history of Afghanistan told me that occupying country after occupying country had had difficulty in achieving their war aims there over the decades and even the centuries. The cynic in me therefore found it difficult to believe that we could achieve a different outcome. My major reason for not supporting the intervention, however, was that I suspected that it would simply become a recruiting sergeant for the fundamentalists and the terrorists, and I fear that that is what has happened. British Muslims who have become involved in terrorist activity or hold fundamentalist beliefs say that those involved in terrorist activity in Iraq and other parts of the world cite what the west is doing in Afghanistan as a reason for adhering to those values and beliefs.

The position now is very different from the one in 2001, in that the British public are now war weary, as many hon. Members have pointed out. Opinion polls suggest that most of the British public want us to leave Afghanistan sooner rather than later. The most recent poll shows that 30% want immediate withdrawal, and that 42% want withdrawal soon. I suspect that everyone wants withdrawal as soon as possible. After nine years, I do not believe that any military strategy that might be pursued over the coming months and years is going to help us to achieve our aim of addressing problems such as the drugs trade and terrorism and the issue of human rights.

I want to put on record that it is a shame that the amendment in the name of—

Mr Deputy Speaker (Mr Nigel Evans): Order.

4.18 pm

Jack Lopresti (Filton and Bradley Stoke) (Con): I am most grateful for the opportunity to speak in this important debate. I must begin by declaring my interest as a member of the reserve forces that served on Operation Herrick 9 in Afghanistan.

I have long held the view that our forces' role in Afghanistan is crucial not only to the development and security of the area of conflict but to our own security at home and in the wider world. I acknowledge that some have started to question just how big a threat we face within our own communities, and whether our troops and their families are paying the ultimate price to keep us safe from a diminishing threat, but there is no doubt in my mind that without the brave, hard work of our servicemen and women, the level of the threat we face would be much worse. Tony Blair, speaking in Afghanistan in 2006, said:

> "Here in this extraordinary piece of desert is where the future of the world's security in the early 21st century is going to be played out".

He was absolutely right.

Once again, let us remind ourselves why we are there. As the Secretary of State said earlier, we are two days away from the anniversary of 9/11, which was an attack on our freedoms and our way of life. The ISAF mission in Afghanistan is a matter of national and world security. We must always remember that we went into this conflict following the attacks of 11 September 2001, and cemented that commitment following the terrorist attacks in London. We are there because we cannot allow Afghanistan once again to become the safe haven for terrorism that it once was. We are there to protect the citizens of the United Kingdom and the people of Afghanistan from the insurgents who would do them harm. Should the Afghan mission fail, it could well result in an emboldened al-Qaeda taking control of Pakistan, which, as we know, is a nuclear state.

We are creating a way forward for Afghanistan as a united country to choose its own path away from the tyranny and struggles of the past. This ultimate objective must be realised, which can be done only with the continuing role of the UK armed forces and our allies. The only way we can exit the conflict, knowing that we have completed our mission, is by stabilising the Afghan Government and by extending their authority and influence so that they are able to continue reconstruction, govern effectively and take responsibility for the country's own security. When and only when we reach that stage should we fully withdraw all UK personnel, in the knowledge that we have served our duty to the citizens of Britain.

UK troops have played a crucial role since first deployment. Our armed forces are integral to the success and completion of this mission. To remove them from theatre now or in the very near future would jeopardise the future security of all NATO member states. Of course, none of us wishes to see a single UK serviceman or woman in Afghanistan a day longer than needed, but it is right that we continue to mentor the Afghan army and Afghan national police to train them to a level at which they can secure the country for a long-lasting peace. I recognise that the ultimate solution will be political, but it is the work carried out, day by day, by British and US personnel with our allies that will pave the way to security in the region.

Although we wait for the publication of the strategic defence and security review in due course, I would like to take this opportunity to congratulate and thank the coalition Government for what they have done thus far to improve the working conditions and safety of UK forces in Afghanistan. My right hon. Friend the Secretary of State for Defence has promised to do everything he can to ensure that, whatever our troops are asked to do, they are properly equipped to maximise success and minimise the risk to themselves. The Government are honouring that commitment, which I believe will allow us to fulfil our ultimate role in Afghanistan.

The Government are to be congratulated on providing £189 million from the Treasury reserve to ensure that our troops are properly equipped, on the changes they announced to the rest and recuperation policy, and on their work to restore the military covenant, which the last Administration sadly failed to uphold. They should also be congratulated, of course, on doubling the operational allowance in theatre.

Mr Kevan Jones (North Durham) (Lab): I am intrigued to hear what the hon. Gentleman is saying. Will he explain how it squares with the decision we took to produce more helicopters and light protected vehicles and the fact that the Labour Government did not freeze armed forces pay? How will that freezing and the outrageous attack being perpetrated against armed forces pensions help to sustain morale in Afghanistan?

Jack Lopresti: All I will say is that when I was in Afghanistan, we never had enough men on the ground or enough helicopters available; people were dying because the Government did not provide what was necessary in respect of helicopters and personnel.

As I said in my maiden speech, Britain relies heavily on the contribution made by the reserves to our armed forces. They continue to provide a strategic reserve for UK defence and, particularly in recent years, have played a vital part in the UK's ability to mount and sustain operations. The reservists make up around 9% of the British forces in Afghanistan and are fully integrated into the regular units, working at high levels of responsibility and often in the most demanding situations. In fact, it is impossible in theatre to tell the volunteer reservists from the regulars. I believe that the reservists will continue to play a fundamental part in the future role of UK forces in Afghanistan and I urge the Government to continue to support them in whatever way necessary.

I must highlight the fact that most, if not all, the reserve forces in Afghanistan have volunteered to be deployed. This means a break from normal civilian life and family life and an interruption to their professional life—in most cases, for up to a year. It has to be said—I speak from personal experience here—that it is much harder for the reservists to readjust after deployment than the regular forces, because we have the added factor of trying to get ourselves back into civilian life without the kind of support that the full-time regular soldier would get. It can make us feel very isolated.

It is my sincerest belief that the only way to end this conflict, and to prevent future conflicts in the region for generations to come, is to commit our forces to the completion of our objective—to create a stable, prosperous and free Afghanistan. Only with the continuing commitment of UK forces on the ground will we create the kind of stability in Afghanistan that we need for the safety of our families and our communities back home.

4.24 pm

Mr Michael Meacher (Oldham West and Royton) (Lab): First, I congratulate the Backbench Business Committee on its choice of this subject, which I am sure is widely welcomed and has led to a constructive and thoughtful debate.

On the subject of Afghanistan, we need to be honest: the situation is grim. Everyone recognises that the military prowess and determination of British forces, in conditions as difficult and arduous as will be found anywhere, have been of a high order, of which the nation can be proud. However, that cannot be allowed to blind us to the realities on the ground. The British casualty rate—334 soldiers killed to date—is now twice as high, proportionately, as the US rate, and as high, proportionately, as that endured by the Soviet forces in the 1980s. All the arguments for staying put are falling away. Some have been mentioned again today, including by the Defence Secretary, who told us that we are fighting in Afghanistan to protect the streets of London. That idea, I submit, is believed by almost nobody. Virtually all terrorist acts in the UK are home-grown and have mostly occurred precisely because of the occupation of countries by foreign troops. We are told—after nine years—that we need more time to get Afghan forces to the point at which they can adequately secure the country. Nobody on the ground believes that that will happen in less than several decades, if then.

We are told that President Karzai must be given time scales to root out corruption. Is there any evidence that he either can do so or has the slightest intention of doing so? We are told that the Petraeus doctrine in Iraq of winning over—perhaps one should say bribing—so-called moderate insurgents must be given time to work, but Afghanistan is completely different from Iraq: the exceedingly belligerent and conservative Pashtun Taliban will never play along with any such collaboration. Those are the unquestionable facts.

On the question of rationale, which was also mentioned, including by the Chair of the Defence Committee, it is significant that the ostensible rationale for NATO's presence keeps on changing. First, the rationale was going after al-Qaeda post 9/11; then it was the endless war on terror; then it was nation building and female emancipation. The harsh and unpleasant fact is that the situation can only now be resolved by a deal between the Taliban, the Pakistanis and the corrupt clan around Karzai—as inauspicious a brew, I admit, as one could possibly find, but that is what politics and war are often about, and the arguments for such engagement are compelling.

Some people might deride talking to the Taliban, or even regard it as traitorous, but if the aim is not just an acceptable solution for NATO but to help Afghans to end 30 years of civil war, which surely should be our objective, there must be a process of intra-Afghan dialogue, backed by regional agreements on non-interference and co-operation with Afghanistan's neighbours, as well as Security Council guarantees. Of course, it will be said that the Taliban have said that they will engage in no negotiations until all foreign forces leave—that is quite normal and no surprise; it always happens when secret contacts begin. Indeed, contacts have already begun between Karzai's intermediaries and Mullah Omar's people. In addition, it is reported that representatives of the Hekmatyar group, who are powerful Taliban allies, have already visited Kabul, and that Pakistan is also pressing Karzai to talk to the important Haqqani faction.

What is the US approach, on which everything hinges? At the moment, the US line is to support engagement, but to insist that it must be Afghan-led. That sounds very democratic, but it is a cop-out. The Afghanistan Army and Administration are nowhere near being in a position to take the lead, and it is a fantasy to pretend otherwise. The reality remains that the United States is overwhelmingly the major player. So how do we proceed? The United Nations was the convening power for the talks that led to the 1988 agreement for Soviet withdrawal, and I think that today it probably provides the best forum for Afghanistan's regional neighbours. Its special representative in Kabul recently started convening ambassadors on a regular basis, which I consider very hopeful.

The slowly gathering mood music about negotiations is, however, complicated by concerns about underlying United States objectives in Afghanistan. The US has deployed 19 military bases in Afghanistan and central Asian countries since the war began in October 2001. Those bases operate autonomously from the territories around them. They are networked by airlifts, and obtain supplies from outside Afghanistan by air. I think it reasonable to assume that the US will not give up that arrangement in the foreseeable future. Indeed, General James Jones, Obama's top national security adviser, said exactly that a few months ago.

So where does that leave us? The Prime Minister talks of leaving Afghanistan in 2015, but I suggest that in view of the harsh realities—the loss of British life, and the loss of support from British public opinion—he should bring that date forward by at least three years. He should come out publicly in favour of the US opening contacts with the Taliban. That is not a desirable course, but it is a necessary component in the Afghanistan equation. The Prime Minister need not, of course, give what would no doubt be seen as an ultimatum by saying, either publicly or privately, that if the US rejects a policy of negotiation the UK will leave unilaterally, but if within a year the US strategy has not shifted towards talks with the Taliban, he should make our position clear. He should make it clear that the UK has consistently argued that the best way to leave Afghanistan with dignity, as we want, is to broker a power-sharing Government that includes the Taliban.

If the US will not accept that position, we cannot continue indefinitely with an unwinnable war or a refusal to consider peace talks. I believe that, at that point, we shall be left with no alternative but to withdraw our troops.

4.32 pm

Damian Collins (Folkestone and Hythe) (Con): We have had a very interesting debate. Members of all parties have spoken with a great deal of conviction and insight based on their own experiences, not least my hon. Friend the Member for Penrith and The Border (Rory Stewart).

I cannot speak from personal experience of having visited Afghanistan or served with our troops, but many of my constituents are serving there. Before I make some general remarks about the conflict itself, let me

[Damian Collins]

pay tribute to the Royal Gurkha Rifles, who are based at Shorncliffe barracks in my constituency and are currently on a tour of duty in Afghanistan from which they are due to return in November. They have made a number of tours, and the current one may not be their last. Like most regiments, they have sustained casualties, not least in the attack within the British base at Nahri Sarraj in July which led to the deaths of three servicemen and injuries to four further Gurkhas.

Shortly after that attack I visited Cheriton primary school in my constituency, where a number of Gurkha families send their children. Many of their fathers were on duty in Afghanistan at the time of my visit. In the school library is a memorial wall explaining the conflict, on which the children are invited to post their own comments. There is even a school mascot, and the children regularly receive photographs of it from Gurkhas serving in Helmand.

Anyone who has direct access to the families of servicemen, or even lives alongside them, will be aware of the strain that is placed on them, especially when they are in an active zone and casualties are being sustained there. I make that comment for a simple reason: after nine years of conflict we have a series of obligations in addition to the strategic imperative behind the conflict in Afghanistan. We have an obligation to those who have served, and particularly to those who have lost family members in Afghanistan.

I also believe that, after nine years, we have obligations to the Afghan people. What those obligations are has been discussed in the debate. We obviously have an obligation to ourselves and to protect our security, but I believe that after nine years we also have an obligation to those who have benefited from the slightly more liberal regime they live under now than the earlier Taliban regime, in particular women who are in education and work and men who have enlisted in the Afghan police or army. What recriminations and reprisals might they experience as, effectively, "collaborators" with the new regime should that country collapse back into chaos? I am not saying that we can stay in Afghanistan indefinitely—we cannot, of course—but I believe that we have obligations to the people of Afghanistan and that that should be part of our thinking too.

Sun Tzu said that wars are lost in the temples of the rulers before they are ever fought. That is an interesting observation in respect of the war in Afghanistan and our debate today. There has been criticism that the west has almost accepted defeat—that we are in the process of merely managing retreat to some end point when we are ultimately defeated and we leave. The Taliban take comfort from that criticism. I do not believe that that criticism is true at all, but I believe others seek to draw that conclusion from the debates and exchanges we have.

There is a political war to be won, just as there is a military campaign to be executed. The heart of that political war must be that we have the resolution and desire to give our armed forces the support they need to complete the strategy we have set out for them and that we are determined to see that through—that even though there are very difficult periods in the conflict we are not weakened in our desire to pursue that strategy.

In respect of the operations in Afghanistan, there is a temptation to believe that, because we have been there for nine years, we are continuing to pursue the same strategy in the same way, and that not much has changed and we are now hoping that something different will come along simply because we have been there for a long time, but in fact the nature of the conflict has changed dramatically. The troop surge has changed it too, and I urge Members to show some patience so that we give General Petraeus and leaders in Afghanistan the chance to see the current stage of the strategy through.

The situation has changed since 2008, when there were, perhaps, 30,000 American servicemen in Afghanistan and a much smaller number of international troops. We now have more than 130,000 or 140,000 men there, and an ever-growing Afghan police and armed forces presence as well. We must take that into consideration.

There is often too little talk in the British media—and perhaps in some of our exchanges in Parliament too—of what the counter-insurgency operations are doing and the successes they are achieving. There was an article in *The Times* a couple of weeks ago, written by an officer who had served in Sangin, looking at what the British have achieved there. That town was a Taliban hot spot, but the officer writes that now 150 small businesses are thriving, and there is a regular weekly market and a sense of normality and life returning. We should be proud of the work our troops have done in Sangin to make that possible. The article also talked about the importance of our men undertaking foot patrols so that they are on a level with the Afghan people and are seen to take risks with them, instead of hiding behind barracks.

On the question raised earlier in the debate about a potential change in strategy, I do not claim to be a military expert but I do have a theory. If we retreated to barracks or safe points in camps, would that give us much of an ability to engage with the Afghan people and to be an effective counter-insurgent or peaceful operative in the country?

I am interested to read and hear news about what successes there have been since the launch of Operation Moshtarak, particularly in respect of the Americans going into Marjah. We are not operating alone; we are part of an international force and strategy. The success of that strategy is part of our success too, therefore. There have been reports in the American media that the US Marines can now go into Marjah, a town that was once a centre of Taliban control and so dangerous that ISAF troops were told not even to fly over it. They may not have total control of that town or the surrounding area, but they are exerting considerable influence. Again, we are looking here at the time scale. It is believed that it might take up to 18 months or so for Marjah to be secured. There is some evidence to suggest that the difficult, complex and uncertain work of counter-insurgency is, with the greater resources being put behind that strategy, starting to bear some fruit. We must exercise a degree of patience in allowing that to happen.

We cannot cut and run from Afghanistan. I do not believe that any Member of any party has truly advocated that today. We have obligations to the Afghan people and to the situation in Afghanistan to see through our strategic objectives—not to create Hampshire in Helmand, as some people have written and said, as we will never achieve that, but to create a country where the Afghans

can, in time, take over security operations and the governance of their own country. There may well be a need for considerable reform in how the Afghan Government work, and for them to build up their own trust with their own people. We can play a role in that: we cannot do all of that for Afghanistan, but we have set our course and I believe that we should stick by our strategy, and that now is not the time to be considering a withdrawal.

4.40 pm

Caroline Lucas (Brighton, Pavilion) (Green): I start by echoing others in saying how much of a privilege it is to speak in this historic debate. As you know, Madam Deputy Speaker, it is an important tradition of this House that the names of the brave troops who have been killed in Afghanistan are read out at the beginning of each week's Prime Minister's Question Time. Yesterday, that roll call seemed to go on for a very long time, and after it the Deputy Prime Minister said:

"Each of those men was an heroic, selfless individual who has given his life for the safety of us and the British people."—[*Official Report*, 8 September 2010; Vol. 515, c. 313.]

Each of those men was heroic and selfless, and our troops are doing an extraordinary job with great courage, but we need to nail the myth that their presence in Afghanistan is making the British people safer. We are constantly being told that our troops are fighting in Afghanistan to keep us safer in this country—the Minister said so earlier in this debate—yet even our security services suggest that the war on terrorism is making this country less safe, not more safe. We also know that the terror plots against Britain were hatched not in Afghanistan, but in Pakistan and in Britain itself.

The Afghan war was put to the British people on a simple premise: that it was an act of self-defence in response to 9/11. The objective was supposed to be to capture and kill Osama bin Laden and prevent al-Qaeda from using Afghanistan as a base from which to launch further attacks. That rationale now seems a distant memory; al-Qaeda has been dispersed effectively around the world—over the border into Pakistan and further afield into Somalia, Yemen and elsewhere. So if our motive is really tracking down al-Qaeda, we are looking in the wrong place.

An alternative explanation given is that we are in Afghanistan to bring human rights to that country. Although some improvements were made between 2001 and 2005, the situation is, again, drastically deteriorating and for many Afghans, especially those outside Kabul, the improvements were only ever slight, or they were non-existent. Vicious warlords in rural areas can be just as bent on enforcing sharia law as the Taliban. According to Malalai Joya, the outspoken woman MP who was expelled from the Afghan Parliament, the Government of Hamid Karzai are

"full of warlords and extremists who are brothers in creed of the Taliban."

That is notably true of the judiciary, which she said is "dominated by fundamentalists." This is the President whose authority our troops are dying to defend but who passes the so-called "marital rape" law, which gives a husband the right to withdraw basic maintenance for his wife if she refuses to obey his sexual demands.

On Afghanistan it seems that we are struck by a peculiar kind of amnesia; there is so much that we have forgotten. As Dan Plesch of the Centre for International Studies and Diplomacy has said, there is no sense that we sought to crush and dominate that country throughout the 19th and 20th centuries. We appear to have no memory of that, but the Afghans do. There is no sense either that the sentiment expressed time and time again by advocates of war—that to pull out now would be a betrayal of those who have given their lives so far—is exactly the same as was said about Vietnam. Yet it is clear that the real betrayal is to be sending more people to die in a war that cannot be won.

We might remember the last time a mighty superpower tried to subdue Afghanistan. The Soviet Union invaded in 1979, and within a few years its soldiers were losing their limbs or lives to landmines—the improvised explosive devices of their day—and the same kinds of angry complaints were made about a shortage of helicopters. As the journalist Jonathan Freedland has said, whatever other reactions we should have to the fate of the US-led coalition in Afghanistan—horror, grief or despair—surprise should certainly not be one of them.

It is not unpatriotic to seek to recognise that there is no military solution to the crisis in Afghanistan and to bring our troops home safely. Almost everyone agrees that sooner or later a negotiation will have to take place. My amendment says that what we should be doing is negotiating now—let us make it sooner. It will not be clean; it will be messy, as others have said. But let us make it sooner and stop the bloodshed sooner.

We should do so because the collective amnesia from which we seem to suffer at the moment has an enormous human cost. The evidence of escalating violence and increasing insecurity in Afghanistan was reinforced by the WikiLeaks circulation back in July of huge amounts of official communications and reports about the US war on the ground. Those leaked war logs reveal that coalition forces have tried to cover up the fact that they have killed hundreds of civilians in unreported incidents. As they increasingly use deadly reaper drones to hunt and kill Taliban targets by remote control from a base in Nevada, civilian deaths rise still further.

As of last month, more than 330 British personnel or MOD civilians have died while serving in Afghanistan and several thousand more have been injured. More than 1,000 US troops have died. What of the Afghan casualties? As we know, no official count is kept, but the estimate is that there are many, many thousands. As the military forces increasingly use those deadly reaper drones, those civilian deaths rise still further. ISAF's own confidential report of August 2009 concedes that its military strategy is causing what it calls "unnecessary collateral damage". Leaders publicly say that their attacks are proportionate, yet US Lieutenant-Colonel David Kilcullen has said that the US aerial attacks on the Afghan-Pakistan border have killed 14 al-Qaeda leaders at the expense of 700 civilian lives.

Alongside the US and British military in Afghanistan is a "shadow army" of private military and security companies, operating largely outside legal or democratic control. A recent article in *Le Monde diplomatique* asked, in characteristic diplomatic language:

"How can efforts to put down an insurgency be effective or credible when the countries contributing to the intervention force…use mercenaries whose motivation is not necessarily the restoration of peace?"

[Caroline Lucas]

That is put very diplomatically, but one British contractor is quoted as saying, rather more bluntly, that for his firm, the more the security situation deteriorates, the better it is for business.

All that might not be so horrific if the lives of ordinary Afghans were significantly improving and the country was developing, but although on some indicators there has been some improvement—such as access to education, for example—overall the situation is bleak. Indeed, by some indicators, Afghans are getting poorer—child malnutrition, for example, has risen in many places, which is an effect of the chronic hunger that now affects more than 7 million people. Despite that, the US has spent 20 times as much on military operations as on development in Afghanistan while Britain has spent 10 times as much. The UN Security Council notes that 25 times as many Afghans die every year from undernutrition and poverty as from violence.

Finally, there is not just a human cost but a financial cost, too. This is an unwinnable war that is costing us more than £7 million a day. If the Chancellor is looking for places to make cuts; he should start right here and bring the troops home. The financial cost to Afghanistan is huge, too. The Afghan Government spend a massive 30% of their budget on the security sector. That money would be much better spent on development in Afghanistan.

4.47 pm

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): Thank you, Madam Deputy Speaker, for giving me the chance to speak in this very important debate. I pay tribute to the Backbench Business Committee for setting it up in the first place.

The opportunity is given to me to pay tribute to 3 Commando Brigade, which is based in my constituency; to 29 Commando, which is based at the royal citadel—where the guns point in towards the city rather than out towards the sea for a series of reasons—to the Royal Marines, which are based at Stonehouse; and to the Royal Navy at Devonport. They have either served, are about to serve or are serving in Afghanistan.

I shall not try to pretend that I am an expert on military complexities or on what the strategy should be—or, for that matter, that I have a fantastically brilliant knowledge of Afghanistan; that is for others and we have heard a number of hon. Members who have been able to demonstrate that this afternoon. However, I am reminded that every week, without exception, I see in my local newspaper, hear on my local radio station or see on our local television that the sons and daughters of Plymouth are out there campaigning and trying to ensure that Britain—and the world—is a much safer place.

Last year I attended 29 Commando's welcome home parade in Plymouth city centre and it included my hon. Friend the Member for Filton and Bradley Stoke (Jack Lopresti), who had served for a year on deployment with 29 Commando. The whole city turned out to support those young men and women who have seen action. There is a real belief that the city and people's families, who are waiting with enormous anticipation to find out what will happen in the strategic defence and security review, strongly feel that they are in the front line of the conflict. I am aware that many people in Britain are very critical of the current campaign and believe that it is unacceptable for our troops to remain in Afghanistan for an infinite amount of time. The Prime Minister and the Secretary of State for Defence have made it quite clear that our troops should come home within the next five years, but if that is to happen it is utterly vital not only that we come out in an orderly manner but that we leave a positive legacy in that very troubled country.

There is a general perception that, as with Iraq, when we went into the war—I was a supporter of doing so and I still am; I believe that our activities there are right—we did not have an exit strategy. That is something that we need to look at. I believe that we must make sure that, when we leave that country, it has been economically and politically improved in a big way. We must continue to help to rebuild the Afghan economy. Despite the immense amount of money put forward in international aid, and the country's wonderful natural resources of natural gas, petrol, coal, marble and gold, Afghanistan remains very much a rural economy that is dependent on growing poppies. Most villagers have few economic options. Moneylenders will provide loans on relatively good terms for opium production. The estimated annual profit from poppy cultivation for a single farmer is between 1,000 and 2,000 lakhs, compared with the 20 lakhs that they can get from producing wheat. Farmers are willing to risk dealing with organised crime and criminals for a chance at prosperity. That is why many farmers refuse to switch back to growing wheat, which is an enormous shame.

The heroin is exported to British towns and cities such as Plymouth and continues to fuel crime on our streets. When Labour first came to power in 1997, the then Prime Minister was quite right to say that he would be tough on crime and on the causes of crime, but why did Labour Governments not put the eradication of the poppy crop at the centre of their strategy? I suspect that there were a number of relevant issues, but it would be helpful to know why. I therefore encourage my right hon. Friends the Secretaries of State for Defence and for International Development to put that campaign against drugs firmly at the top of the agenda.

In short, we must learn a great deal from the conflicts in Iraq and Afghanistan. If we embark on a military expedition, we must make sure that we have an exit strategy that will leave that country economically and politically much more viable. Use of military force just buys us time to put together diplomatic and political solutions and it should never be seen as the means to the end. If we take on board those lessons and the sacrifices and injuries of our gallant servicemen and women, we will not have wasted our time, and troops from places such as Plymouth who have put in so much effort will not have given their lives in vain.

4.54 pm

John McDonnell (Hayes and Harlington) (Lab): I pay tribute to the Backbench Business Committee for allowing us to have this debate, and to the Members who have contributed to it. The hon. Member for Beckenham (Bob Stewart), who is not in his place, and my hon. Friend the Member for Newport West (Paul Flynn) set the tone from both sides of the argument in a way that has enabled a thorough debate. Without patronising anyone, let me say that a large number of the new

Members who came to the House after the last election have added a great deal to the debate, particularly the hon. Member for Penrith and The Border (Rory Stewart) with his expertise.

At the start of the debate, there was an emphasis on recognising the audiences who will be listening and the importance of not having an impact on the morale of troops. I take that caution carefully, although those arguments have been used in every debate about every recent war, even during the first world war when people were arguing about the tragedies of the trenches. I interpret my duty in the House as to ensure that we never put our troops in harm's way unnecessarily or irresponsibly, so I encourage their withdrawal from Afghanistan as rapidly as possible so that they no longer face the risks that they have faced there. Like other Members, I find it heart-rending to hear the names read out at Prime Minister's Question Time, because I think that, tragically, our troops are dying unnecessarily. The best way that we can serve them is to secure their withdrawal.

I was in the Chamber when the decision was made to send in the troops. There was no sense of jingoism; there was serious concern, but the then Secretary of State for Defence expressed the hope that not a shot would be fired. That hope has not been realised, and with 330 dead it is a tragedy that we have allowed the conflict to go on for so long.

In our last debate on Afghanistan, I was one of the few Members who urged that negotiation with the Taliban should be commenced. Subsequently, I was roundly abused in the media and, as often happens to Members, received correspondence and e-mails calling me a traitor and saying that I lacked courage or conviction—all the usual things. However, it is interesting that debate has moved on. There have been some expressions of victory during today's debate, but they have not been the same as in the past. There is much more serious and sophisticated discussion about how we can withdraw. The debate today demonstrates that part of the withdrawal process needs to start quickly and with a negotiated settlement.

Some years ago, we debated a proposal for a Ministry for peace, following which we set up the all-party group on conflict issues. I am one of its joint chairs; the others are from other parties. The group brought us into contact with a wide range of international organisations and experts in promoting and securing peace. I refer Members to an excellent report produced recently by the Afghanistan Study Group in America. It is entitled "A New Way Forward: Rethinking US Strategy in Afghanistan". The study group includes a range of specialists—ex-military, intelligence experts, regional specialists and people involved in conflict resolution in the past across the world. The report reflects many of the statements that have been made by Members today, including my right hon. Friend the Member for Coventry North East (Mr Ainsworth), the hon. Member for Basildon and Billericay (Mr Baron) and my right hon. Friend the Member for Oldham West and Royton (Mr Meacher).

The report includes sober analysis of the need for us to enter direct dialogue with participants in the conflict. As many Members have done today, it analyses the war in Afghanistan, describing it not as a struggle between the Karzai Government and an insurgent Taliban movement allied with international terrorists seeking to overthrow the Government, but as a civil war about power-sharing. The lines of contention are partly ethnic, chiefly but not exclusively between Pashtuns, who dominate the south, and other ethnic groups such as the Tajiks and Uzbeks who are more prevalent in the north. The conflict is partly rural versus urban, and of course partly sectarian. As many Members have said, it is also influenced by surrounding nations with a desire to promote their own interests—Pakistan, Iran, Saudi Arabia and others. As others have emphasised, the conflict is interpreted by many in Afghanistan as having elements of resistance to what is seen as a military occupation.

The key issue that has arisen from the debate is how we can further discussions about resolving the distribution of power in Afghanistan among the various factions and between central Government and the provinces. That is a critical crossroads. The proposals in the report emphasise, first, power-sharing, political inclusion and the start of a dialogue among all parties to enable such inclusion, including a fast-track peace process. Secondly, they suggest downsizing and, eventually, ending military operations in southern Afghanistan and reducing the military footprint immediately.

The issue is about focusing security efforts, as some have said today, on al-Qaeda and domestic security, encouraging economic development and engaging regional and global stakeholders. We and the Government have a critical role to play in that process, and the study group's blueprint is a good one for our debate about how we go forward. However, there is a sense of urgency, because I do not believe that there is any potential for military victory. Indeed, I believe that, if we go further, the cost in human lives could even escalate.

That is why I take up the point made my right hon. Friend the Member for Oldham West and Royton. Who do we go to now? In what forum can we find an arbitration model and arbitration partners? We have to go back to the United Nations for an open discussion about the process and where we are now, because where we are now is certainly not in a successful position, and it can only deteriorate from hereon in. Given that there is an unstable Government, allegations of corruption and conflicts between central Government and the regions, we are obliged to involve the UN, but, if a peacekeeping force is offered, those who were involved in the invasion certainly cannot participate in it.

We are now entering a critical period, and I urge Members to study the report by the US study group. It provides a way forward to secure peace and protect the interests of this country in the long term, in combating terrorism, combating drugs and securing the region itself for the long-term future.

Several hon. Members *rose*

Madam Deputy Speaker (Dawn Primarolo): Order. Seven speakers have indicated that they wish to speak, so, if each of you could bear that in mind and, perhaps, cut your speeches a little shorter, that would be very helpful and everybody will get in.

5.2 pm

Richard Drax (South Dorset) (Con): Madam Deputy Speaker, thank you very much, indeed. The last time that you allowed me to speak was my maiden speech, so

[Richard Drax]

I am very grateful to be called again. It is a huge privilege to talk about this war, which in my view has not been debated in the House since it started in 2001.

I begin by uttering my unequivocal support for our armed forces. Still recognised throughout the globe as the finest fighting men and women in existence, they are the gold standard for many other countries. Our forces' training, organisation and skills are widely admired and emulated, and their service to date in Afghanistan and in other conflicts has been nothing less than exemplary. All of us can take lessons from their courage, dedication and selflessness.

We have heard again and again this afternoon that the war started in 2001, and we have borne a heavy cost: 334 dead and more than 1,500 wounded in action, many with horrific injuries. In Dorset, where I come from, I have been associated with our largest county regiment, The Rifles, for some years. They alone have sustained losses of 54 men, with more than 200 seriously injured. A commanding officer whom I met before the election, and who had served in Afghanistan, told me that he thought the war was justified. He told me that the hardest job that I would have, were I to be elected, would be to convince the public of that same point. How right he was. More and more constituents tell me that they have doubts about the war.

Committing our armed forces to battle is, let us face it, our gravest duty in this House. It is we who send them to war, and it is we, ultimately, who bring them home, so this debate is a great chance to challenge our responsibilities, which means that we have to ask the crucial questions that we have asked this afternoon. Should we be there, can we win, and can we afford it?

First, should we be there? Yes, I have no doubt about that, and the Secretary of State eloquently explained to us all why we should be. In addition, there is no doubt in my mind that our international responsibilities are important. It is no good whingeing on the sidelines in years to come if we abdicate our responsibilities now. We cannot expect others to guard our interests or police world trouble spots on our behalf. The Afghan war is an international conflict in the sense that terrorism knows no boundaries. The grim anniversary of 9/11 this coming Saturday underlines that point, which I would like to underline. Terrorism, in my view, is here to stay for the foreseeable future in one shape or another. We cannot beat it, but we can tackle and, one hopes, contain it. That is why we will need a lot of courage in this House to defend our realm. Contrary to the many press reports, serving soldiers I have spoken to—and I have spoken to many—say they are making huge progress. In the end, how far that progress can be sustained probably comes down to money. If that is the case, as I suspect it is, then we as a Government must continue to underwrite our hard-won freedoms—they do not come cheap.

Can we win? History says that we cannot, in the strict military sense. The fate of earlier attempts—from Alexander the Great, as we have heard, to Russia—provides stark warnings to those who would take on this rugged, proud and tribal nation. Traditions, both religious and cultural, are deeply rooted and resist outside interference. But the cold fact is that we are there now. So what do we do? If we pull out, Afghanistan could go back to the dark ages under the Taliban. If we stay, we incur huge costs in blood and treasure. I agree with the Secretary of State that we should maintain a presence for the longer term in mentoring and training roles to allow a political solution to take root and grow. It would be a bleak day if we pulled out altogether and this huge sacrifice were for nothing.

Lastly, can we afford it? Clearly, we cannot. We have inherited from the Labour Government a £38 billion liability in defence spending, with more to come. To me, this is the heart of the matter. Can we afford, and do we want, a fully equipped manned expeditionary force capable of conducting significant military operations in places such as Afghanistan, or do we retreat into our shell and have something like a gendarmerie? That is the big question we have to face as a nation. My view, emphatically, is that we need the former. We should never, ever put a price on our freedom. The armed forces are already cut to the bone, and I would push for the defence review to exclude the defence budget, at the very least.

Our armed services have been built up over hundreds of years. It takes but a minute—the slash of a red pen—and they have gone, taking years to reassemble. Are we, as a Conservative-led Government during a war, going to place our young men and women on the front line one minute and give them a redundancy note the next? These are tough questions, but ones that are relevant to this debate, not least in relation to our troops' morale. That is why I believe that the defence budget should be protected.

I recently met the mother of a dead soldier. She asked me, "Do you think the deaths of my son and his comrades are worth while?" When a mother looks you in the eye and asks you a question like that, by heavens does it concentrate the mind, and it really brings home the huge responsibility that we have in this House. Should this House ever decide to send our troops to war again, and I am fortunate enough to be an MP in it, I will bear that question in mind.

I support the motion for continued deployment of UK troops in Afghanistan, with the proviso that a long-term strategy is announced and is clear. I caution the Government against setting time lines for withdrawing the majority of our troops for fear of providing succour to our enemy and promising something that maybe we cannot deliver.

5.9 pm

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I am grateful for this debate in Back-Bench time, and I shall be brief. To follow on from the comments of the hon. Member for South Dorset (Richard Drax), there is only one thing worse than setting a firm date for withdrawal, which is to set one and then pretend not to have done so, ending up with the worst of both worlds. That is where we are at the moment.

My first observation is personal and constituency-based. When I go back to my constituency, I see helicopters coming in from Birmingham International airport to land at Queen Elizabeth hospital, bringing back severely injured soldiers, so I take no lessons from anyone on what the public's perception is. It is that we are engaged in a good fight, but that the Government could have done a better job of explaining why we are there. The

troops certainly do not want to be seen as victims. They say, "We are a professional force and we want to have our job recognised."

I wish to mention three matters that have been forgotten in today's debate. The first is our role in the world. The United Kingdom is a permanent member of the United Nations Security Council and a nuclear force, and we have a record of intervention. Intervention has had a bit of a bad name recently, but I have not heard anybody saying that we should not have gone into Kosovo, which we did without a UN mandate and succeeded, and nobody has challenged what happened in Sierra Leone. We do intervene, and that is why we have an Army—we have a role to play in the world. We can debate what that role should be, but we should not lose sight of the fact that we have an international responsibility, with which come certain commitments.

Secondly, people keep talking as though this were our war with Afghanistan. I remind everybody that we are there at the invitation of the Afghan Government. We are there not to conquer Afghanistan but as part of an international effort represented by ISAF. It is an out-of-territory NATO operation. If we cannot collectively make it work, it will affect not just Britain and Afghanistan but the future of NATO and how we see our collective responsibility. That seems to have been completely forgotten.

Thirdly, we must consider what is success. I have heard a number of definitions, and I wish to draw attention to a report recently published by the Henry Jackson Society, "Succeeding in Afghanistan". I declare an interest: I am a trustee of the society. The report reminds us that there is good news out there, but also asks how good things can get in Afghanistan.

People have drawn analogies between Afghanistan and Germany in 1945, but that is completely off the wall. When we were dealing with the enemy in Germany in 1945, it was a functioning nation state that had completely lost its way for a brief period in its history, so it was a question of restoring structures. In Afghanistan, the structures were never there in the first place, so the governance structures and election process will not be as we would have them here in the west. If we can start to deal with corruption and intimidation and set up functioning civil structures, that will be success.

Rory Stewart: But how exactly can we deal with corruption and civil structures? We have been trying for eight and a half years and made no progress. We all agree that it is important, but we have proved that we lack the capacity to do it. There is no point in saying that it would be a good thing to do unless we have a plan.

Ms Stuart: It is an extremely valid observation to say that we had some plans that did not work. However, when the aid organisations went in and we started reconstruction in Helmand, when Hugh Powell was our special representative, we started to pull together security, structures and military rebuilding. It will not be perfect, and in the end Afghans themselves will have to deal with the situation, but having gone to Afghanistan, and being a member of the permanent five, we have a responsibility to ourselves and a collective responsibility to NATO and ISAF.

We need to start talking about the successes and start learning from them, and stop talking the situation down. In the debate this evening, we have heard a lot about all that has gone wrong, but nobody has focused on what has gone right. I can see hon. Members raising their eyebrows at that, but on balance, we have heard more about the former than the latter. I keep coming back to the fact that the operation is not a UK operation but a collective, NATO, ISAF operation, and a lot of other countries could step up to the plate a little more than they do before we beat ourselves up. Collectively, we must get to a position in which we have structures that can be held accountable in Afghanistan. If anyone thinks that having a date by which we withdraw is the way forward, they are deeply misguided. There is an aspiration to withdraw honourably, leaving a good structure in Afghanistan, but the minute we set the date, we might as well leave immediately.

5.15 pm

John Glen (Salisbury) (Con): There are considerable military interests in my constituency, so I feel compelled to offer my perspective in this crucial debate. However, I have no military experience—many hon. Members who have spoken have such experience—so it is with some humility that I offer my opinions on the decisions that impact on so many brave men and women who are deployed in Afghanistan. I pay tribute to my constituent, Major Josh Bowman, who was shot in his bed in Afghanistan just before the recess, and to the other 133 soldiers who have given their lives in the service of their country in Afghanistan. We owe them so much.

I do not want to offer a critique of the history of Government decision making over the past nine years—the current Government must deal with the inherited legacy of the British deployment in Afghanistan—but during that time, the situation on the ground in provinces such as Helmand has evolved, with fighting of such intensity that we have been forced, as a nation, to take stock on several occasions.

The debate is another opportunity for the House to reflect on what, as a nation, we seek to achieve in Afghanistan. By what measure will we gauge our success? What will success look like? Does it mean free and democratic elections and the removal of corruption? How do we measure the extent to which we have succeeded? Perhaps success means a well-trained and effective army and police force, new roads, more schools and improved women's rights. Where does the list end, and what is realistic?

For me, the critical issue is how realistic our list of objectives for the next five years is. I am concerned that the objectives are, at the moment, too vague, sometimes too ambitious, and difficult to stick to given the moving political context and uncertainties on the ground. Furthermore, the timetable for the removal of combat troops by 2015 might be the Government's fixed policy position, but the critical question is what we can achieve by then. I am greatly concerned that indicating that date so clearly and unambiguously—admittedly, the date is a response to the increasing sense that installing full democracy in Afghanistan in a generation is unrealistic—may be taken by the Taliban as a lack of our commitment, intent or political will.

When John Reid, the former Defence Secretary, said that he hoped that no shot would be fired, few understood the full implications of committing ourselves to engagement in Afghanistan. Others in the House have described Afghanistan as a "broken 13th-century country". I will

[John Glen]

not comment on the accuracy of that description, but it is clear that its culture, values and political maturity are different to any other theatre to which our troops could be deployed.

The solution that we offer must be comprehensive. We must take not only a strategic, joined-up approach, but one that views the challenges as international. Our approach will require unity of effort across the coalition, and across borders and myriad Government Departments and agencies, and we must consider everything from financial investment from the International Monetary Fund at one end of the scale, to providing teacher training at the other. To be most effective, the solution requires diplomats and generals, economists and policemen, engineers and teachers, as well as trainers. Defeating the Taliban in the conventional sense—on the battlefield—may satisfy our desire for a measure of success, but it does not secure the defeat of terror per se, especially not in the long term, unless accompanied by a more complex engagement with and investment in Afghan society. We would be wise to remember that for many in Afghanistan NATO forces were not invited, and therefore the kind of war that we think we are fighting is not the same as that seen by the Taliban or many people on the ground in Afghanistan. While we fight against those who harbour terrorists, they consider themselves to be engaged in a war against uninvited foreigners. We fight to defeat al-Qaeda: they fight for local tribal pre-eminence. NATO fights to eradicate the Taliban: they fight for independence. While that may be inconvenient to our world view, unless we acknowledge the different perceptions that exist and engage with them—and change the emphasis of our objectives—we will not achieve what we set out to achieve.

Our mission has to be one that focuses as much on smart, soft power as it does on military effect. What that means in reality is that our focus has to be on coaching, mentoring, training and building up capacity, not only in the military but in all aspects of government in Afghanistan. In recognising that our armed forces are operating within a country whose culture, values and faith system are so different to our own, we need to state explicitly what our objectives are, how we propose to achieve them and on what basis we will grade our progress. We have a job—even a moral duty—to leave the country in a better position than we found it. That will not be easy, and we need to be clear and honest about the success that we can realistically achieve.

While I agree that some form of timetable is useful, our strategic plans for Afghanistan must not be driven by an artificial political timetable. They must be driven by a rational and honest view of what we wish to achieve, recognising that our deployment will be more focused on state building than success in combat. Just because we are now realising the immense implications of playing the role of a catalyst for the rapid maturing of the democratic infrastructure, we cannot throw our hands up in the air and say that all troops must come home now. What would that say to the Afghan people? It would say, "We did our best by military force to deal with the forces of terror, but because of the time it would take to help you develop a stable country, we will leave you with a vacuum and you will have to deal with the consequences of stirred-up ethnic and tribal tensions and the prevailing insecurity that that brings." That is not credible, honourable or right. Consequently, there is a requirement for our armed forces to remain in Afghanistan to deliver a realistic prospect of a reasonably secure Afghan state, but we need a pragmatic path to that end point.

5.23 pm

Sarah Newton (Truro and Falmouth) (Con): Given the time, and the fact that the winding-up speeches need to begin, I will be brief—*[Interruption.]* If there are no winding-up speeches in this debate, I do not need to be quite so brief.

I add my tribute to those that have been paid by right hon. and hon. Members on both sides of the House to our splendid servicemen and women for all that they do, and to their families, who support them so much. I also pay tribute to our reservists who have the difficult job of serving alongside the regular armed forces and then also have to fit back into life as civilians. I am very proud to have such a large Territorial Army base in Truro in my constituency, and of the contribution that it makes.

I am very concerned that the welfare of our men and women who are currently serving and who are leaving the armed forces should be taken into consideration in this debate. Over the summer, a study by King's college London found that 4% of British armed forces personnel suffered from post-traumatic stress disorder, while 20% have symptoms of common mental disorders. Research involving 10,000 soldiers showed that 13% were misusing alcohol, but that those who had served in Iraq and Afghanistan were 22% more likely to abuse alcohol than those who had not. The Secretary of State for Defence has indicated his concerns about the scale of mental illnesses among service personnel and his belief that developments in medical science mean that more could be done to prevent the most vulnerable from falling through the net. I strongly agree with him.

About 180,000 troops are thought to have been deployed in the two conflicts since 2001, and the long-term impact of experiences in Iraq and Afghanistan on those who return to civilian life is not known. Over the summer recess, I had the opportunity of observing the work of the charity Talking2Minds, which was established by Bob Paxman, a former Special Air Service officer. All those working for the charity are people who have suffered from combat stress and are focused on working for people suffering from it. It provides a four-day residential programme and has developed a unique talking therapy, and because its consultants have personal experience, they have an improved understanding of what guests are going through and can create a strong rapport with them.

One of my constituents, Martin Webster, a corporal in the Light Infantry for 12 years, organised a programme in Cornwall that helped 13 former servicemen suffering from combat stress. One of those people was Jamie Watson, a constituent of mine who joined the programme with his girlfriend. At the start of the programme, I listened to the experiences of those involved and to how they had been let down by the current arrangements for the care of servicemen and women who develop mental health problems while serving. At the end of the programme, I saw for myself the effectiveness of the therapy. It is vital that the effectiveness of innovative programmes

such as this are evaluated, so that they can be considered alongside the current range of therapies made available to service personnel to support those suffering from combat stress.

It is essential that all the armed forces take a more proactive approach to the prevention and management of the mental health of serving personnel, and I look forward to reading the forthcoming report by my hon. Friend the Member for South West Wiltshire (Dr Murrison) and his recommendations for improving these services. It is vital that over time the stigma of discussing problems in coming to terms with experiences in conflict is overcome. However well motivated and trained our armed servicemen and women are, what we ask them to do is immensely demanding.

There needs to be more effective mental health awareness training throughout the armed services and opportunities for service personnel to have access to a range of effective services that are delivered by former service people who understand the unique environment of the armed services. Jamie Watson, 26, who honourably served his country for 10 years in the Army, described his experience to me:

"As a front line soldier, I was highly trained in...war fighting, counter terrorism and situations of armed conflict, but the objectives in the conflicts since 2003 have been so varied that the serving soldiers role has been constantly changing according to the missions' objectives and...in...Afghanistan the roles changed from war fighting to peace keeping to counter terrorism to riot control and back to peace keeping. I believe this has had a massive impact on not only the rise of combat PTSD but the complexity of this condition also."

During my discussions with Jamie and other veterans of recent and past conflicts, another key issue—a recurrent theme—in tackling combat stress emerged, and that was the need for the better management of the transition period when serving personnel re-enter society as civilians. As Jamie says:

"I think that by taking a soldier out of their serving unit at the right time during their final year, while they are still well motivated soldiers and putting them with a training regiment where a course can be constructed and developed to start a process of reintegration, education and re-training would reduce many problems including mental health problems such as PTSD."

Like Jamie and the other soldiers whom I have met, I believe that with the support of the new Government we can finally start the process of putting in place a system that works and give our servicemen and women, and veterans, the support that they really need and deserve.

5.30 pm

Simon Reevell (Dewsbury) (Con): I support the continued deployment of our armed forces in Afghanistan, but I meet people who do not. That is because no one took the time to explain the reasons at the time of deployment—or, indeed, for years afterwards.

We went into Afghanistan because there were people there who wanted to kill us. They wanted to kill our families—indeed, they wanted to kill our way of life—and the Government of that country were not interested in stopping them doing it. We went in because, although we are an island race, we do not live in a bunker and we are vulnerable to terror. We went in because the poisonous propaganda emanating from the training camps of Afghanistan was absolutely toxic. Indeed, it is so pervasive that it has seeped into the minds of young people as far away from Afghanistan as here in the UK, including in my constituency, resulting in a young man bringing a suicide bomb to London.

For many, the deployment of UK armed forces in Afghanistan was also the end of a regime of brutality and terror that blighted the lives of ordinary, decent Afghan people, and we should be proud of that. Those young Afghans who travel to join the Afghan national army and go into combat alongside British soldiers do so because they remember the terror that defined the regime introduced by the Taliban in those areas of Afghanistan that they occupied—the same areas where the al-Qaeda training camps thrived.

Because it has not been explained properly, people make comparisons between our deployment and that of the Russians, but we are not there to conquer the Afghan people. We are not there to impose a regime. Afghan nationals did not form up and fight alongside the Russians, as they come to train and fight with NATO and British forces.

Rehman Chishti: Does my hon. Friend agree that we cannot make the mistake that was made in 1989, when the international community left Afghanistan, creating a vacuum for al-Qaeda and the Taliban? We have to stay in Afghanistan to finish the end-job, which means creating institutions and stability by working with the Afghan army and police force.

Simon Reevell: I do agree with that, but I shall come to that point in a moment, if I may.

It is the Taliban who seek to occupy Afghanistan, not the British Army. Another myth that causes some to doubt the role of our forces is based on the suggestion that the Taliban will simply play the long game—"You have the watches, we have the time." However, that is to ignore completely the Afghan national army. I am privileged in that I have been able to spend a considerable amount of time with the private soldiers, NCOs, warrant officers and junior officers who have been on the front line in Afghanistan. Indeed, some whom I was privileged to spend time with are there today. What they described, in a matter-of-fact, "job done" way, is brave to the point of being almost beyond contemplation.

Significantly, those troops speak well of the Afghan national army, whose courage is not an issue. In fact, the task of our training teams and our soldiers is to instil a sense of discipline to temper their courage and to instil an understanding that there is no shame in something other than a full-frontal assault. Often, ANA recruits learn quite literally on the job. They arrive with a rifle and no training. That means that they are wholly inexperienced on day one, but as all their training is gained in combat conditions, they fast become battle hardened. They will increasingly step forward as NATO forces withdraw. They are determined to protect their country and ensure that it does not fall back into a world of imposed brutality.

In addition, we remain in Afghanistan because in the summer of last year, the Taliban were less than 80 miles from Pakistan's nuclear weapons. Pakistan has attracted criticism for its role in relation to the NATO operation in Afghanistan, but in fact more than 3,000 members of the Pakistani armed forces have been killed fighting the Taliban. Those in the Swat valley who are currently the victims of floods were terrified to leave their homes last

[Simon Reevell]

year as the invading Taliban sought to impose a culture of terror. We did not enter Afghanistan to help Pakistan, but the reality is that Pakistan cannot be allowed to fail.

In my experience, people accept these reasons for our presence in Afghanistan, especially now that individual soldiers have the kit that they need. It is an appalling state of affairs that that was ever an issue. Whatever the state of our finances, it must never be an issue again. All the discussions about defence spending are designed to ensure that the troops on the front line have boots and bullets, and no one should lose sight of that. The kit is now there, and the young men I speak to are convinced that they are doing a worthwhile job.

The motion supports the continued deployment of our armed forces in Afghanistan, and we should also not fall shy of remembering that our presence represents a statement of commitment to those who have turned away from Taliban and al-Qaeda extremism and reached out, albeit tentatively, to the west. We have a coherent and sensible strategy, and we are training the Afghan national army to do what every country requires of its armed forces—namely, to protect the perimeter and ensure the safety of those who live within its borders. In doing that, it will ensure that there will be no room for those who would export death to us and ours. Until the ANA can take on that task, however, our troops should remain there.

5.37 pm

Christopher Pincher (Tamworth) (Con): I do not think that I am to be the night watchman in this debate, but I shall be as brief as I can. I shall not recapitulate the messages that have already been given. That might be a relief to hon. Members, but it might not inspire them to do the same.

I am not an expert in these matters. I have never worn a uniform. I am acutely conscious that there are experts in the House, and that Members on both sides of the House have worn a uniform. I am also conscious, however, that whether or not we have worn a uniform, all of us here are responsible for either ordering or consenting to send young men and women into harm's way, and that is why I want to speak in the debate. I was struck by what the Secretary of State said about there being four audiences for our debate today. I believe that there is also a fifth audience: the British public. My hon. Friends the Members for Plymouth, Sutton and Devonport (Oliver Colvile) and for Barrow and Furness (John Woodcock) also touched on that point.

There have been many casualties in the war—Afghan civilians and British soldiers have been killed and maimed—but a casualty that we cannot afford is the loss of the consent of the British public for this war. We need to ensure that they are on our side, and on the side of the troops as they go about their business. I do not feel that we have been as successful as we might have been in reassuring the British public, and I would like to give the House some examples of what we can do to get them on to our side.

First, we need to ensure that our troops have the right kit and the right support. I visited some friends in Gloucestershire during the recess. They are a military family, and their son is currently serving in Afghanistan. His father was in the Army for 20 years, during all of which time his wife followed him all round the world. They are not peace campaigners, they are not sitting out there in the peace village, but they are concerned about what is happening in Afghanistan and about our troops. Why? Because their son has big feet, and for that reason, the Army was unable to equip him with the right sized desert boots before he deployed. If we cannot put the boots on the feet of the men who are going out to fight, it is understandable that the public, the servicemen and their families will be concerned about our commitment to their welfare and our determination to see the struggle through. I am therefore pleased that the Secretary of State has announced £189 million of further spend on equipment and some £67 million to be spent on countering improvised explosive devices. I hope that that will help to turn around the perception among some servicemen and their families that they have not had the right kit.

It is also important to show the public that the war is being won and success is being had. In a speech of a day or two ago, my hon. Friend the Member for Bournemouth East (Mr Ellwood)—he is not in his place now, but has spoken very eloquently on this subject—said that when he was in Lashkar Gar over the recess, he visited an ice factory. Now that might be a very mundane thing to do—we all visit factories in our constituencies and probably visited many of them during the recess—but it is quite striking to have an ice factory in Helmand, where just a few years ago there was combat, and now infrastructure is being built, jobs created and services provided. We have to show—we have to get the journalists not just at the front line, but at what is happening behind it—that we are improving the situation on the ground and moving towards a tipping point where the Afghan national army, the police force and the Afghan Government will be able to look after themselves so that we can begin to withdraw. We have to tell the story of that success to the British public, so that they know what our strategy is for withdrawal.

The third important element to get across is the need to tell the story of the price of failure, which has been touched on already by other hon. Members. If we fail to see this struggle through in Afghanistan and the country unravels, that will seriously undermine the situation in nuclear-armed Pakistan. We do not want to see jihadists going around saying, "We've beaten the west in Afghanistan; we can beat them everywhere". We need to ensure that the public understand that if Afghanistan unravels, it will not be the end of the matter, as there will be other Afghanistans. The futile price that our servicemen and women will have paid in Afghanistan will be paid again and again in other places.

We have been there for nine years. It has been a long time. Mistakes have been made, but that is the past, so let us leave that where it is and look now to the future. We have a new Government in Britain and a new commander, General Petraeus, in Afghanistan, who has a new strategy. I therefore think that there is an opportunity to re-engage with the British public and show them that there is a way forward. We can then bring them fully back on side. I trust that that is what our Government will now seek to do.

5.42 pm

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): I had not originally intended to take part in the debate, but Members will recognise that I have been

here at different stages of it. Given that a few minutes are left, I would like to make a couple of points. I should say that I am not one who speaks regularly on military or defence matters and that I recognise the incredible range of expertise, passion and informed comment from many hon. Members today. I have certainly learned a lot from it.

I rise mainly to put my own position on the record and to reflect the difficulty—it has already been mentioned, and many Members will face it—of the choice before us when it comes to the vote. I am certainly not someone who wants to see our troops leave overnight or tomorrow; nor do I want to detract from the incredible courage and commitment of our forces in Afghanistan, many of whom I have met over the years in various contexts. Equally, however, I am unhappy at the position whereby opposing the motion could be interpreted as being unsupportive of our forces, while supporting this wholly unqualified motion could be used in the years to come to justify the claim that full unqualified support was given to our Afghanistan strategy.

John Hemming (Birmingham, Yardley) (LD): As someone who intends to oppose the motion, I do not view doing so as meaning that I am not supportive of the troops. Rather, it is not supportive of the continued deployment of the troops. I am very supportive of the troops and have no doubt about their ability to win any military conflicts, but I believe that the strategy that they have been given is likely to fail on a political and economic basis. I shall vote against the motion, but I do not see it as demonstrating a lack of support for the troops.

Mark Lazarowicz: I am grateful to the hon. Gentleman for his intervention. I shall explain my position, which I am sure is also the position of many others who may oppose the motion.

We have been in Afghanistan for nine years, and given the development of the war and conflict there, it is worth bearing in mind that back in 2001 only a small number of Members had any idea of an intention to commit ourselves to action in Afghanistan 10, 15 or 20 years hence. The wish of the British people is also to see an early end to our involvement in Afghanistan. Therefore, I want to put on record my full support and recognition of the heroism of our troops and forces over the years, and my wish not to see a hasty withdrawal from Afghanistan that does not allow some transition. However, I cannot support a motion that is unqualified in its support for continued deployment, and for that reason I will vote against it.

5.46 pm

Natascha Engel (North East Derbyshire) (Lab): It is a great pleasure to wind up the debate, which is the third tabled by the Backbench Business Committee on behalf of Back Benchers. Excellent contributions have been made on both sides of the House, and division in the debate has been not on party lines but across the House. A range of experience has been reflected and some impassioned contributions made.

It was important that the Backbench Business Committee chose as its third debate the topic of Afghanistan. We heard repeatedly today that the House, rather than the Government or the Opposition, has not had an opportunity to put on record its view on Afghanistan and our continued presence there. The number of Members who not only contributed but sat here listening, on a Thursday afternoon, throughout a general debate on a quite general topic, has been phenomenal. Over halfway through the debate, 50 to 70 Members were still in the Chamber, which is unusual for a debate of any nature, and is testament to the importance attributed to the subject of Afghanistan by the Backbench Business Committee and Back Benchers.

Several Members mentioned the issue of the motion itself. It was important to the Committee to choose a motion that was votable and general. The wording—the inclusion of the word "continued" came up again and again—was deliberately wide and open, to encourage as many Members to take part in the debate, and to mention as many issues, as possible. In future, I hope that Members will table amendments to such motions that pick up some of the nuances and represent individual Members' views.

John Hemming: Perhaps such suggestions should be put to the Backbench Business Committee so that, in deciding what motion should be tabled, it can be advised by Members of the House on what the best phraseology might be. The Committee, of which I am a member, considered the issue prior to the recess, when perhaps the motion appeared to be a reflection of Government policy.

Natascha Engel: I thank the hon. Gentleman for that intervention, and he is right. Next Wednesday, the Committee will take its first public representation session to hear the subjects that Back Benchers want debated.

The Backbench Business Committee, on behalf of Back Benchers, has provided the opportunity for Back Benchers to debate the topic of Afghanistan, and now it is down to the House to decide.

Question put, That the amendment be made:

The House divided: Ayes 5, Noes 311.

Division No. 59] **[5.50 pm**

AYES

Hemming, John	Watson, Mr Tom
Hollobone, Mr Philip	**Tellers for the Ayes:**
Lewis, Dr Julian	**Alison Seabeck and**
Turner, Mr Andrew	**Jane Ellison**

NOES

Adams, Nigel	Bellingham, Mr Henry
Afriyie, Adam	Benyon, Richard
Ainsworth, rh Mr Bob	Berry, Jake
Aldous, Peter	Bingham, Andrew
Alexander, Heidi	Binley, Mr Brian
Allen, Mr Graham	Birtwistle, Gordon
Amess, Mr David	Blackman, Bob
Andrew, Stuart	Blackwood, Nicola
Arbuthnot, rh Mr James	Blunt, Mr Crispin
Bacon, Mr Richard	Boles, Nick
Bain, Mr William	Bottomley, Peter
Baker, Norman	Brady, Mr Graham
Baker, Steve	Brake, Tom
Baldry, Tony	Bray, Angie
Baldwin, Harriett	Brazier, Mr Julian
Baron, Mr John	Bridgen, Andrew
Barwell, Gavin	Brine, Mr Steve
Bebb, Guto	Brokenshire, James

Brooke, Annette
Brown, rh Mr Nicholas
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Clark, rh Greg
Clark, Katy
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Corbyn, Jeremy
Crabb, Stephen
Crouch, Tracey
Cryer, John
Davies, David T. C. *(Monmouth)*
Davis, rh Mr David
de Bois, Nick
Dorrell, rh Mr Stephen
Dorries, Nadine
Dowd, Jim
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Edwards, Jonathan
Efford, Clive
Ellis, Michael
Ellwood, Mr Tobias
Elphicke, Charlie
Engel, Natascha
Eustice, George
Evans, Graham
Evans, Jonathan
Fabricant, Michael
Fallon, Michael
Farrelly, Paul
Featherstone, Lynne
Field, Mr Mark
Fitzpatrick, Jim
Flynn, Paul
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Gapes, Mike
Gardiner, Barry
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Glen, John
Goodman, Helen
Gove, rh Michael
Gray, Mr James
Grayling, rh Chris
Green, Damian
Green, Kate
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Hames, Duncan
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Healey, rh John
Heath, Mr David
Heaton-Harris, Chris
Henderson, Gordon
Herbert, rh Nick
Hoban, Mr Mark
Hodgson, Mrs Sharon
Hoey, Kate
Hollingbery, George
Holloway, Mr Adam
Hopkins, Kelvin
Hopkins, Kris
Horwood, Martin
Hosie, Stewart
Howarth, rh Mr George
Howell, John
Hughes, Simon
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Kevan
Kawczynski, Daniel
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Lazarowicz, Mark
Leadsom, Andrea
Lee, Jessica
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McDonnell, John
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Meale, Mr Alan
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Moon, Mrs Madeleine
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Percy, Andrew
Perkins, Toby
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pound, Stephen
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, Mr Andrew
Robertson, Angus
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Skinner, Mr Dennis
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spellar, rh Mr John
Spelman, rh Mrs Caroline
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stride, Mel
Stuart, Ms Gisela
Stunell, Andrew
Sturdy, Julian
Swayne, Mr Desmond
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Tomlinson, Justin
Truss, Elizabeth
Turner, Karl
Twigg, Derek
Uppal, Paul
Vara, Mr Shailesh
Vaz, rh Keith
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Weatherley, Mike
Webb, Steve
Weir, Mr Mike
Wharton, James
Wheeler, Heather
White, Chris
Whittingdale, Mr John
Wicks, rh Malcolm
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Winnick, Mr David
Wishart, Pete
Wollaston, Dr Sarah
Woodcock, John
Wright, Jeremy
Yeo, Mr Tim
Zahawi, Nadhim

Tellers for the Noes:
Mark Hunter and
Mr Robert Goodwill

Question accordingly negatived.

Main Question put.

The House divided: Ayes 310, Noes 14.

Division No. 60] **[6.4 pm**

AYES

Adams, Nigel
Afriyie, Adam
Ainsworth, rh Mr Bob
Aldous, Peter
Alexander, Heidi
Allen, Mr Graham
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Bain, Mr William
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Bebb, Guto
Bellingham, Mr Henry
Benyon, Richard
Berry, Jake
Bingham, Andrew
Binley, Mr Brian
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Brown, rh Mr Nicholas
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Chishti, Rehman
Chope, Mr Christopher
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Coffey, Dr Thérèse
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davies, David T. C. *(Monmouth)*
Davis, rh Mr David
de Bois, Nick
Dorrell, rh Mr Stephen
Dorries, Nadine
Dowd, Jim
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Efford, Clive
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Engel, Natascha
Eustice, George
Evans, Graham
Evans, Jonathan
Fabricant, Michael
Fallon, Michael
Farrelly, Paul
Featherstone, Lynne
Field, Mr Mark
Fitzpatrick, Jim
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Gapes, Mike
Gardiner, Barry
Garnier, Mr Edward
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Gove, rh Michael
Gray, Mr James
Grayling, rh Chris
Green, Damian
Green, Kate
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Hayes, Mr John
Healey, rh John
Heath, Mr David
Heaton-Harris, Chris
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hoban, Mr Mark
Hodgson, Mrs Sharon
Hollingbery, George
Hollobone, Mr Philip
Holloway, Mr Adam
Hopkins, Kris
Horwood, Martin
Howarth, rh Mr George
Howell, John
Hughes, Simon
Hunt, rh Mr Jeremy
Hurd, Mr Nick
Jackson, Mr Stewart
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Kevan
Kawczynski, Daniel
Keen, Alan
Kelly, Chris
Kennedy, rh Mr Charles
Kirby, Simon
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Lefroy, Jeremy
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lloyd, Stephen
Lopresti, Jack
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Macleod, Mary
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Meale, Mr Alan
Menzies, Mark
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Mitchell, rh Mr Andrew
Moon, Mrs Madeleine
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mosley, Stephen
Mowat, David
Mulholland, Greg
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
O'Brien, Mr Stephen
Offord, Mr Matthew
Ollerenshaw, Eric
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Patel, Priti
Paterson, rh Mr Owen
Penning, Mike
Percy, Andrew
Perkins, Toby
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pound, Stephen
Pritchard, Mark
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Robathan, Mr Andrew
Robertson, Mr Laurence
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sandys, Laura
Seabeck, Alison
Selous, Andrew
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, Mr Keith
Skidmore, Chris
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spellar, rh Mr John
Spelman, rh Mrs Caroline
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain

Stride, Mel
Stuart, Ms Gisela
Stunell, Andrew
Sturdy, Julian
Swayne, Mr Desmond
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Timms, rh Stephen
Tomlinson, Justin
Tredinnick, David
Truss, Elizabeth
Turner, Mr Andrew
Twigg, Derek
Uppal, Paul
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Watson, Mr Tom
Weatherley, Mike
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Roger
Williams, Stephen
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Woodcock, John
Wright, Mr Iain
Wright, Jeremy
Yeo, Mr Tim
Zahawi, Nadhim

Tellers for the Ayes:
Mark Hunter and Mr Robert Goodwill

NOES

Baron, Mr John
Clark, Katy
Corbyn, Jeremy
Cryer, John
Edwards, Jonathan
Hoey, Kate
Hopkins, Kelvin
Huppert, Dr Julian
Lazarowicz, Mark
Lucas, Caroline
McDonnell, John
Skinner, Mr Dennis
Turner, Karl
Winnick, Mr David

Tellers for the Noes:
John Hemming and Paul Flynn

Question accordingly agreed to.

Resolved,

That this House supports the continued deployment of UK armed forces in Afghanistan.

Bob Russell (Colchester) (LD): On a point of order, Madam Deputy Speaker. I wonder if you have been asked by the Chancellor of the Exchequer or any other Treasury Minister if they could give a statement to the House. I saw the Chancellor talking to you a few minutes ago and I was hoping that he was seeking your permission to give a statement. Within the last 10 minutes the BBC has run a story from the Chancellor of the Exchequer that there would be additional public spending cuts of £4 billion. If that announcement could be made to the BBC, do you agree, Madam Deputy Speaker, that it should have been made to the House first? Frankly, I do not recall that figure appearing anywhere in the coalition agreement.

Madam Deputy Speaker (Dawn Primarolo): As the hon. Gentleman will know, the business of the House is not a matter for the Chair. I have not been notified of any additional business. The Speaker has made it clear that any additional announcements by the Government should be made to the House first. I am sure that Members on the Treasury Bench have heard the hon. Gentleman's point, and if there is anything in that point of order I am sure they will bring forward the necessary proposals.

Mr Geoffrey Robinson (Coventry North West) (Lab): On a point of order, Madam Deputy Speaker. May I seek through you to put it on the record that although I was present during both Divisions I did not go through the formal process of voting in both Lobbies, but would like it on the record that I abstained on both the main motion and the amendment?

Madam Deputy Speaker: That is not really a point of order, but the hon. Gentleman has put it on the record. I hope this will not set a precedent—that every Member who decides not to vote either way raises it as a point of order.

Secondary Schooling (Sevenoaks)

Motion made, and Question proposed, That this House do now adjourn.—*(Jeremy Wright.)*

6.18 pm

Michael Fallon (Sevenoaks) (Con): I am grateful for the opportunity to raise the issue of secondary schooling in Sevenoaks. Parents in the northern part of my constituency have a choice of existing secondary schools in Swanley and Hextable. They can choose the Leigh technology academy and the new Longfield academy, and they also have access to the Wilmington and Dartford grammar schools further north. I am sure that all those schools are looking forward to the package of reforms that is coming from the Department for Education, giving head teachers and their governors more freedom to decide for themselves about the education they deliver.

So I shall focus on Sevenoaks itself. It is particularly appropriate to do so in the week that the new Knole academy opens its doors. There is always something exciting about the launch of a new educational venture and the promise that it holds for a whole new generation of pupils, and I know that the Minister will want to join me in wishing the new academy well under the leadership of its principal, Mary Boyle. It is also right to pay tribute to the enormous personal contribution of the lead sponsor, Gordon Phillips, and to the commitment and hard work of Mike Bolton and his team from Sevenoaks school, the co-sponsors, as well as to the support from Kent county council.

The Knole academy replaces two single-sex schools, the Bradbourne school for girls and the Wildernesse school for boys, and their replacement has involved much discussion and consultation over the past couple of years, not least with parents who, initially of course, supported single-sex schooling. One of the major reasons why those parents were in the end won over to the concept of a new academy, however, was the promise of a new building.

The Bradbourne site was already inadequate, even for the girls' school that was sited there; it became too small. The Wildernesse site consists of a series of buildings, some of which are more than 60 years old. In fact, the school opened its doors 60 years ago this very month, and its buildings are certainly well past their fit date and need renewing.

Operating the new academy, which is supposed and aims to coalesce two previous schools, is much more difficult on two separate sites that are well over a mile apart. Operating on two sites adds considerably to the costs and management issues and involves the duplication of a whole range of functions that simply would be unnecessary if the school were on a single site. While the site is still split into two halves, it is also difficult for the new management team, educationally I suspect, to build quickly the new ethos and purpose that they seek for a single, all-ability, co-educational school.

The new building was originally promised for 2012, and I must press my hon. Friend the Minister on how much longer it will be delayed. We must bear in mind that the academy has already been delayed, with its launch being about a year later than originally envisaged. That is nothing to do with my hon. Friend; it is down to the long delay in getting Ministers in the previous Government to sign the revenue funding agreement. What will give parents real confidence is a commitment by this Government to the principle of a new building and some indication of the likely timetable. I have pressed the matter several times with the Secretary of State, and as my hon. Friend the Minister knows I have written on the subject to his colleague Lord Hill. I hope that my hon. Friend agrees that parents are now entitled to a firmer indication of when a new building will be started, and when they are likely to be able to move to a single site.

I want to raise one adjacent issue. Despite the arrival of the new, all-ability academy, a significant number of children in Sevenoaks will continue to choose the grammar school route that the selective system in Kent offers. It is right that they continue to have that choice, which has, in recent years, become more restricted owing to the pressure on grammar school places across west Kent. We face an increasing birth rate and the development of some significant new housing. It cannot be right for children in Sevenoaks who succeed in passing the 11-plus then to be allocated grammar school places as far away as Folkestone or Ashford—or indeed, allocated places at non-selective schools, or told to continue to fight for a grammar school place through the tortuous process of waiting lists and appeals. That is especially unfair when so many places—more than 300—are given by Kent schools to out-of-county applicants.

These are currently matters for the adjudicator, who is considering a number of appeals to the existing admissions schemes, and I would not expect the Minister to comment in any detail on that. I am sure, though, that he would sympathise with my view that grammar schools that recruit some numbers from outside the county, as they are entitled to do, need to remember that they are Kent schools paid for and supported by Kent council tax payers and supported by parents who have chosen to live under a selective system.

My main purpose tonight is to mark the launch of the new Knole academy, to wish it well as the first new secondary school in Sevenoaks for a generation, and to ask the Government, in the shape of the Minister of State, to make the commitment to the new building that is desperately needed if the academy is to be a success.

Sir John Stanley (Tonbridge and Malling) (Con): My hon. Friend has made a very powerful case for funding for the new Knole academy. He will be aware that the secondary schools in Sevenoaks, including Knole academy, are a major source of secondary education for my constituents in Edenbridge, which sadly lost its secondary school some years ago. I want to say to my hon. Friend the Minister that I support most warmly and strongly the case that my hon. Friend has made for the funding of Knole academy, which will be of great benefit not only to his constituents in Sevenoaks but to my constituents in the Edenbridge area.

Michael Fallon: I am most grateful to my right hon. Friend. He reminds me that the new academy expects to draw pupils from a wider area than my constituency—indeed, from right across west Kent, as Bradbourne school for girls did before it was merged into the academy.

The point I am making—I will not labour it further—is that for the academy to be a success in the short, medium and longer term, it needs to be established in modern, fit-for-purpose buildings on a single site rather

[Michael Fallon]

than spread across the two sites of the two previous schools. With that, I hope that my hon. Friend the Minister will be able to give me some comfort.

6.28 pm

The Minister of State, Department for Education (Mr Nick Gibb): I start by congratulating my hon. Friend the Member for Sevenoaks (Michael Fallon) on securing the debate. As a former Education Minister, he has a passion for raising standards in our schools and ensuring that good schools have the autonomy and professional freedoms to deliver high-quality education. He was himself instrumental in the reforms that led to local management of schools: a seminal educational reform that has resulted in huge benefits to schools—I hesitate to say this—over the past 20 years. It is the coalition Government's ambition to raise academic standards in our schools, particularly for children from poorer backgrounds. Education is the main route to social mobility, and closing the attainment gap between those from the wealthiest and poorest backgrounds is a key objective of this Government.

The Academies Act 2010 will enable us to expand the academies programme, and 100 new academies have opened over the past two weeks. It will also enable primary and special schools to become academies and enjoy the freedoms that that status brings. My hon. Friend is right to pay tribute to the Knole academy, which is one of the new academies that has opened this week. We are currently examining the national curriculum, with a view to restoring it to its original purpose—a core entitlement built around subject disciplines—and we are empowering parents, teachers and other educational institutions to establish free schools so that parents have a genuine choice for their children.

School buildings need continuing investment, of course, but it is vital that future spending represents the best possible value for the taxpayer. Building Schools for the Future was a flagship programme of the previous Government, set up for the purpose of rebuilding or refurbishing every secondary school in the country by 2023. Indeed, some impressive new buildings have been built, and it must be true that a good working environment can only help academic achievement and improve behaviour. However, the BSF programme was not the most cost-effective way to deliver new school buildings. Rebuilding a school under BSF was three times more expensive than constructing a commercial building and twice as expensive as building a school in Ireland.

During the five years of the BSF programme, out of 3,500 secondary schools just 211 benefited and only 112 were completely rebuilt. The budget rose from £45 billion to £55 billion for a variety of reasons, and the time scale of the programme from 10 years to 18 years. Of the £250 million spent before building began, £60 million was spent on consultants or advisory fees. In effect, BSF became hugely bureaucratic, with process within process and cost upon cost, and it represented poor value for money.

Nobody comes into politics to cut public spending, but the Government are faced with a £156 billion deficit, the largest among the G20 countries. It is our responsibility, difficult though it may be, to sort out the mess that we have inherited. Failure to do so, as my hon. Friend knows, would put our economic recovery in jeopardy. Although we have announced that the BSF programme will end, that does not mean the end of capital spending on schools.

I know that my hon. Friend is a tireless advocate for educational excellence in his constituency, and that he has invested a great deal of energy in the future funding of the Knole academy. As he said, the academy, which opened this month, was formed by the merger of the Bradbourne school and the Wildernesse school. It is sponsored by Gordon Phillips, chairman of the Glen Care Group, and co-sponsored by Sevenoaks school and Kent county council. It specialises in languages, and everyone is optimistic that it will increase opportunities for young people in the Sevenoaks area. I add my thanks to those of my hon. Friend to all those who have put in so much work to deliver the opening of the academy on time this September.

As my hon. Friend said, the academy is based in the existing premises of Bradbourne and Wildernesse, which means that it is currently operating on a split site. I know from experience in my own constituency that that is far from a satisfactory arrangement, with teachers and pupils having to travel between the two sites. In my constituency there is far less than a mile between the two sites, and I know how inconvenient that is. If the distance is as much as a mile in the Sevenoaks case, it must be hugely inconvenient and time-consuming.

As my hon. Friend said, the proposed new school building would be based on just one of the sites, the Wildernesse site, and it was hoped that it would be ready by 2012-13. I share his belief in the importance of high-quality school buildings, because although it is undoubtedly true that a school's primary assets are its teaching and support staff and its educational ethos, it is equally true that it is vital to give children and teachers a well-maintained working environment.

The natural depredations of the climate, and the wear and tear suffered by any building that is used by hundreds of people on a daily basis, mean constant investment in our school infrastructure, so I am extremely sympathetic to my hon. Friend, and indeed to all hon. Members who have schools in their constituencies that are in need of rebuilding or repair, but the inefficiency of the BSF structure and the parlous state of the public finances meant that my right hon. Friend the Secretary of State friend had no choice but to suspend the programme and announce an urgent review of schools capital spending.

In determining which projects would go ahead and which would cease, the Government developed a single set of criteria and applied it nationally. Projects that would continue would be those that were part of their area's initial BSF schemes and that had reached financial close; the so-called sample projects that were part of their area's initial BSF schemes where financial close had not been reached but where a preferred bidder had been appointed at close of dialogue; and some planned school projects in addition to a local authority's initial scheme that had outline business cases approved before 1 January.

As part of the BSF announcement, the planned new build for the Knole academy was put on hold pending completion of the capital review. The Knole project was in the feasibility stage at the time that it was paused, and an outline business case had not at that point been approved. As my hon. Friend knows, capital builds

were put on hold for five academies in Kent other than the Knole academy. However, capital was allocated for two: the Isle of Sheppey academy and the Skinners' academy.

The Secretary of State announced a complete review of how capital will be allocated and spent in improving the fabric of school buildings. The review, which is now under way and led by Sebastian James, will look at how best to meet parental demand, make design and procurement cost-effective and efficient, and overhaul the allocation and targeting of capital. Over the next few months, officials will work with all 75 projects that are for decision after the spending review to discuss their capital needs. Those discussions will focus on the most appropriate and cost-effective way to deliver the sponsors' educational vision. In the case of the Knole Academy, that will include a site visit involving partnerships for schools, the Department for Education and the Young People's Learning Agency, as well as Kent county council and the academy trust.

We hope to be able to make final decisions on capital allocations towards the latter part of this year. I assure my hon. Friend that the Department will continue to make capital allocations on the basis of need, and in particular on the basis of the level of a building's dilapidation and deprivation, and that his representations today and in recent weeks will be taken seriously by the capital review team. However, as I am sure he understands, I am unable to make any commitments today or until the review has completed its work.

In conclusion, I pay tribute to my hon. Friend's energy and tireless work in promoting the case for the rebuilding of the Knole academy. He makes a compelling case on behalf of his constituents, which I have taken on board. I hope that in some measure he will be reassured by my promise that all future decisions on capital spending will be made in a transparent, straightforward and above all fair way, which puts the needs of children and parents first. In today's economic climate, we have a duty to ensure that we continue to invest where investment is needed, to get the best possible value for taxpayers' money, and to achieve a right balance between spending and other means of school improvement.

Change will not be delivered by spending decisions alone. It will be delivered by creating a system that places more trust in the professionals working within it. The Government believe that head teachers should have more control over how money is spent, that teachers should have more autonomy over how they teach their students, and that parents should have a real choice on which school they send their child to. Future spending must support those aims and ensure that money is directed at those who need it most.

Question put and agreed to.

6.39 pm

House adjourned.

House of Commons

Monday 13 September 2010

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

DEFENCE

The Secretary of State was asked—

NATO Responsibilities

1. **Mr Andrew Turner** (Isle of Wight) (Con): What recent discussions he has had on NATO responsibilities outside the north Atlantic area. [14517]

The Secretary of State for Defence (Dr Liam Fox): NATO's responsibility is to provide for the collective security of its allies against an increasingly diverse range of security challenges, both within the north Atlantic area and beyond. This is being reflected in work on the alliance's new strategic concept, on which I look forward to further discussions with the Secretary-General and fellow NATO Defence Ministers at our next meeting in October.

Mr Turner: There is growing concern off the coast of Somalia, where cargo ships and holiday craft are regularly challenged by pirates seeking ransom from western Governments. With 90% of EU imports arriving by sea, is NATO doing enough to ensure safe passage through the Arabian sea and the Indian ocean?

Dr Fox: My hon. Friend is quite right. For a nation such as the United Kingdom, where 92% of all our trade is by sea, the security of the high seas is vital. We contribute in a number of ways: through the NATO mission and through the EU's Operation Atalanta, which we command and to which we make a military contribution. It is also worth pointing out that there are contributions from other countries, which are increasingly recognising that the security of the high seas goes a lot wider than any of the alliances I have mentioned—particularly given the importance of trade—and is in fact a global security responsibility.

Mr Denis MacShane (Rotherham) (Lab): Britain's contribution to NATO, after the United States and along with France, is by far the most important, because we spend a good chunk of our GDP on defence. Can the Secretary of State confirm that he is doing everything to ensure that we spend more than 2% of GDP on defence in the coming review, and that if we fall below 2%—to the level of the runtish, anaemic armies of some of our European allies—he will not stay in the Cabinet, but resign and protest against such an attack on our status as a world armed power?

Dr Fox: We are subjected to quite a lot of humbug in the Chamber, but that takes the biscuit. This Government are committed to the security of the United Kingdom, but we will have to deal with defence expenditure in the light of the huge economic disaster that we inherited from the outgoing Labour Government, and of the fact that we have a massively overspent and overcommitted defence programme, for which the previous Government never bothered to put any money into the budget.

NATO Reform

2. **Richard Ottaway** (Croydon South) (Con): What recent discussions he has had on the reform of NATO. [14518]

The Parliamentary Under-Secretary of State for Defence (Mr Gerald Howarth): As my right hon. Friend the Defence Secretary made clear at the meeting of NATO Defence Ministers in June, reform of NATO is a key priority for the UK. Defence Ministers will have further discussions on reform at their next meeting in October. We also have frequent bilateral discussions with fellow NATO Ministers and the Secretary-General on the importance of both ensuring that the alliance has the right capabilities and structures to carry out its missions, and on making better use of resources by making it a leaner, more efficient and more effective organisation.

Richard Ottaway: In the coming months three major developments will have a profound impact on Britain's foreign and defence policy in the medium term: the comprehensive spending review, the strategic defence review and the NATO summit. Does my hon. Friend agree that, although it goes without saying that NATO should be effective and efficient, it must also be flexible? Will he focus on flexibility in his pursuit of the reforms that NATO needs?

Mr Howarth: May I take this opportunity from the Dispatch Box to congratulate my hon. Friend on his election as Chairman of the Select Committee on Foreign Affairs? As a result, the Committee is in very safe hands indeed, and the House should be grateful for that. He is absolutely right: we do need to be flexible, and we do need to make NATO much leaner and more able to react to circumstances as they arise. However, he is also right to point out the pressures under which we are all labouring at the moment. As my right hon. Friend the Secretary of State said, we have inherited no money in the kitty with which to defend the country.

Mr David Crausby (Bolton North East) (Lab): NATO's new draft strategic concept—to be discussed at the NATO summit—suggests that participation in missile defence is open to all allies. What conclusions has the Minister drawn regarding Britain's involvement in new missile defence systems?

Mr Howarth: As the hon. Gentleman knows well, the strategic concept will be discussed at the Lisbon summit, but as yet the Secretary-General's paper on it has not been seen. However, I understand that missile defence is

a matter of interest, and I know that, as a former member of the Select Committee on Defence, the hon. Gentleman takes a keen interest in such matters. Indeed, when he and I were on the Committee, we both looked at missile defence. This is an important area that NATO needs to address, and I hope it will be addressed squarely in the context of the strategic concept.

Dr Andrew Murrison (South West Wiltshire) (Con): My hon. Friend knows of my long-standing interest in the kingdom of Morocco. What future does he think NATO's European Mediterranean dialogue has? In particular, what future does NATO's relationship with Morocco have, in the light of Morocco's participation in the Mediterranean dialogue since 1995, its assistance in the Balkans and its activities in Operation Active Endeavour? Does he agree that Morocco, as one of our oldest allies, has a strong part to play in future NATO operations?

Mr Howarth: I know that my hon. Friend takes a keen interest in Morocco; indeed, he is the chairman of the all-party parliamentary group on Morocco. He has rightly pointed out that that country is part of Operation Active Endeavour, although I understand that certain technical difficulties currently preclude it from contributing to naval shipping. I must also point out to him that Morocco is not involved in Afghanistan. However, we welcome support from wherever we can obtain it, and I hope he will be able to use his good offices to that effect.

Army Recovery Capability

3. **Nick Smith** (Blaenau Gwent) (Lab): What plans he has for the future of the Army recovery capability; and if he will make a statement. [14519]

The Parliamentary Under-Secretary of State for Defence (Mr Andrew Robathan): The coalition Government are fully committed to supporting injured servicemen and women who have sacrificed so much for our country's security. We are therefore proceeding with the delivery of the Army recovery capability, which was announced by the previous Administration in February this year, in partnership with Help for Heroes and the Royal British Legion. This extremely laudable initiative will make a real difference to the support that the sick and wounded receive during and after the excellent clinical care from which they already benefit. Last Wednesday, I met the future Chief of the General Staff to discuss progress with the delivery of this capability, and to consider what more can be done to support these individuals as they return to duty or make the transition to civilian life.

Nick Smith: I thank the Minister for that answer. Will the Government confirm that the three new personnel recovery centres are on track to open according to the time scale set up by Labour?

Mr Robathan: May I first, unusually, pay tribute to the previous Administration? The Army recovery capability represents a really positive, sensible move forward. They committed resources to it, and we shall continue to do so. Yes, at the moment, we are definitely on track for the opening times. I visited the current centre at the Erskine homes in Edinburgh three weeks ago and saw the work that has been going on there. That is improving the whole time. I should say that this is a new development, and things will evolve as we move forward.

Mr James Gray (North Wiltshire) (Con): One of the centres will be in Bulford and Tidworth, in the constituency of my hon. Friend the Member for Devizes (Claire Perry), and it will open in 2012. Does the Minister agree that, as well as looking after the injured servicemen, there are two elements that we must not lose sight of? The first is to look after their families, who often suffer greatly. The second is to find really practical ways of giving these people jobs and putting them in touch with employers, so that they can be employed for many years to come.

Mr Robathan: Yes, I agree with my hon. Friend. Families play a hugely important role in that regard. Indeed, I regularly meet members of the families federations of the Army and the other forces, and I can assure him that they let me know their views in no uncertain terms. Regarding his second point, the Army recovery capability is working on ensuring that, whatever the future of the personnel it is treating, they have a future either in the armed forces or in civilian life.

Mr Kevan Jones (North Durham) (Lab): I am sure that the Minister has seen in *The Sun* newspaper this morning the proposal to throw out of the armed forces those who have been severely wounded on active service. I note that the Ministry of Defence and the Secretary of State are citing the introduction of manning control points as a justification for that. When I was the Minister responsible for these matters, I resisted the introduction of manning control points, and it was only after intense pressure from the head of the Army, General Sir David Richards, and the Army Board that they were introduced. What was clear, however, was that they would not be used as a way of getting rid of brave servicemen and women injured in the defence of this country—a position that was underlined when General Richards and I launched the Army recovery capability in February. At the time, General Richards said that he expected

"that no soldier who thinks it is in his interests to stay will be forced out."

May I ask the Minister whether that has now changed? Is it now the intention of the Ministry of Defence, under pressure from the Treasury, to use manning control points to force out those injured in the line of duty? If it is, it will be a moral betrayal and run contrary to all the rhetoric—

Mr Speaker: Order. We have got the thrust of the question, and I am extremely grateful to the hon. Member for North Durham (Mr Jones). A brief reply from the Minister, please.

Mr Robathan: I hate to agree with the hon. Gentleman, but I think it would be a moral outrage if we were to throw people out through manning control points after they had been injured on active service. As he will know, if people have been treated through the Army recovery capability, they will be going down an entirely different route and no manning control point will be used at the time. I counsel the hon. Gentleman against believing everything he reads in *The Sun* or any other newspaper.

Gulf Region Security

4. **Mike Freer** (Finchley and Golders Green) (Con): What his most recent assessment is of the security situation in the Gulf region; and if he will make a statement. [14520]

11. **Jane Ellison** (Battersea) (Con): What his latest assessment is of the security situation in the Gulf region. [14529]

The Minister for the Armed Forces (Nick Harvey): The security situation in the Gulf remains delicately balanced, with Iran's nuclear ambitions, Arab-Israel relations and the risk of Yemen becoming a failed state being the most destabilising factors. We are working closely with our allies in the region as well as key partners such as the US to find a diplomatic solution to all these issues, but it is clear that they will not be resolved quickly. I welcome my right hon. Friend the Foreign Secretary's Gulf initiative, which recognises increased engagement in the region as a key foreign policy priority. It makes it clear that there are significant economic as well as national security interests in the Gulf, and that the presence of UK forces there is vital in order to reassure our allies and act as a stabilising influence.

Mike Freer: My hon. Friend will share my concerns about Iran's nuclear programme. What action is being taken to ensure that the UN sanctions are enforced effectively to deter Iran from future developments?

Nick Harvey: I certainly do share my hon. Friend's concern, as I am sure do all Members. The Government of Iran are facing increasing economic and political pressure as a direct result of their failure to address international concerns about their nuclear programme. Alongside sanctions imposed by the UN Security Council resolutions, Iran has also faced autonomous sanctions from the EU, the US, Canada, Australia and Norway. Others will follow soon, and many major companies have decided to stop business with Iran. Iran has much to gain from taking the necessary steps to restore international confidence in its nuclear intentions and will face tougher and tougher sanctions if it fails to do so.

Jane Ellison: I thank my hon. Friend for his reply. Will he comment further on the Iran Government's increasingly provocative approach in their military and nuclear programme and their apparent disregard for international opinion, which has been evidenced in recent times?

Nick Harvey: There is no doubt that Iran is behaving provocatively. Our policy towards Iran remains that we wish to address a broad range of concerns, of which nuclear proliferation is undoubtedly the foremost. Iran's support for terrorism, its negative role in the wider middle east region and its record on human rights all remain matters of serious concern. We remain committed to diplomacy, dialogue and engagement, but that does not prevent us or the international community from maintaining pressure about legitimate concerns. A positive future for Iran is possible, based on its leadership recognising its obligations to its own people, neighbours and the international community. That is the future we want to see Iran turning to, in order to gain the respect it seems so greatly to crave.

Mike Gapes (Ilford South) (Lab/Co-op): Has the Minister made any assessment of when, at the current rate of uranium enrichment, there is likely to be a breakout capability? In those circumstances, how optimistic is he that sanctions will be effective in stopping the seemingly relentless drive by the Iranian regime towards having a nuclear weapon?

Nick Harvey: A whole range of time scales is being looked at, although I cannot say that anything is precisely clear in that respect. The situation is monitored very closely by the international community, ourselves included. If there is any sign of development of the sort the hon. Gentleman describes, we will undoubtedly ramp up our response accordingly.

Combat Stress (Retired Service Personnel)

5. **Oliver Colvile** (Plymouth, Sutton and Devonport) (Con): What discussions he has had with the Secretary of State for Health on provision of facilities for retired service personnel diagnosed with combat stress. [14522]

The Parliamentary Under-Secretary of State for Defence (Mr Andrew Robathan): The Ministry of Defence works closely with the Department of Health on issues relating to support for former service personnel with mental health needs, in particular through the Partnership Board, which brings together the MOD and the four UK Departments of Health.

Oliver Colvile: I thank my hon. Friend for that answer. I understand that my hon. Friend the Member for South West Wiltshire (Dr Murrison) has produced a report on combat stress, and I wonder whether the Minister knows when it might be published. Both the Combat Stress charity and the Plymouth and district branch of Mind are interested, and they would like to read it sooner rather than later.

Mr Robathan: May I first pay tribute to Combat Stress—an excellent organisation—and its current chief executive Dave Hill, whom I understand is retiring shortly to Northumberland, where he lives? It does excellent work among ex-service personnel. As to the date of publication, there is an old parliamentary procedure: it will be published shortly.

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): It is an admirable aspiration for veterans to get priority in receiving NHS treatment. Will the Minister update us on how former veterans will be identified, and what progress he is making with the Department of Health on achieving that?

Mr Robathan: People who have served in the armed forces need to declare that they have done so, but under the previous Government much work was done to ensure that as people leave the armed forces, they are identified by GPs as former service personnel, and that is how we are progressing. The report that will be produced shortly by my hon. Friend the Member for

South West Wiltshire (Dr Murrison) will deal with this issue. I pay tribute to him for his work, and thank him on behalf of the House and the Government.

Alun Cairns (Vale of Glamorgan) (Con): Post-traumatic stress disorder is a serious condition, and the lack of diagnosis has led to significant compensation claims. Considering that in the UK health is generally devolved to the various Parliaments and Assemblies, what action is the Minister taking to ensure a consistent response and to address the issue of compensation payments?

Mr Robathan: PTSD is indeed a serious condition and should not in any way be treated lightly. It is certain that some people returning from combat do suffer from PTSD. The King's Centre for Military Health Research, led by Professor Simon Wessely, has done a lot of work looking at the condition and what further we can do. I do not have an immediate answer to the question of how we can have settled compensation, except that under the armed forces compensation scheme each person with some form of health problem has a particular tariff, which might apply to PTSD too.

Sharing Military Equipment

6. **Mary Creagh** (Wakefield) (Lab): What recent discussions he has had with Ministerial colleagues on the sharing of military equipment with other countries. [14523]

The Secretary of State for Defence (Dr Liam Fox): On operations, we will always try to share equipment with our partners to best effect, for example with the pooling of helicopters in Afghanistan. More broadly—I imagine this might be what the hon. Lady has in mind—the strategic defence and security review is considering options for closer bilateral co-operation with key nations, but NATO will remain the cornerstone of our defence.

Mary Creagh: I thank the Secretary of State for that reply. There has been a great deal of speculation over the summer, and while there is no problem with joint procurement, the operational problems are potentially huge if we end up purchasing our Tornadoes on some sort of time-share or hire-purchase arrangement with another nation. Will he reassure the House that any decisions he makes will be driven by the operational requirements of the armed forces? Will he also bear it in mind that if one buys cheap, one often pays twice?

Dr Fox: There are two issues. First, why would we want to get involved in further joint co-operation? Clearly, economy of scale needs to be taken into account in the difficult budgetary environment. Secondly, who would the key partners be? In looking at key partners, we certainly consider operational effectiveness and those countries that are likely to deploy and to spend on the research necessary to get the capability we would want. Clearly, for such partnerships, the two front-runners are the United States and France.

Sir Menzies Campbell (North East Fife) (LD): Does the Secretary of State accept that there may be circumstances in which it is more effective to share responsibilities rather than equipment? Will he tell the House whether, as a result of his meeting in Paris last week, there was any discussion of the possibility of sharing responsibility for nuclear deterrence?

Dr Fox: We have repeatedly made it clear that we believe that having an independent nuclear deterrent is a vital part of the United Kingdom's sovereign capability, and we intend to keep it that way. Where we can co-operate on technical matters with the French, without interfering with our sovereign capability in any way, it would make sense to do so.

David Cairns (Inverclyde) (Lab): On press reports about the sharing of aircraft carriers, may I say that, despite having 500 constituents who work in the upper Clyde shipyards, I have always seen the matter as a strategic, not primarily industrial, question? In that context, does the Secretary of State agree that having one aircraft carrier would be a strategic nonsense, and that not having any of our own would be a major breach of the nation's sea-based defence posture, which goes back not just decades but centuries?

Dr Fox: I am the first to defend, as I have regularly, the concept of sea-borne air-power projection, especially for a maritime nation such as the United Kingdom. However, the hon. Gentleman's question is an eloquent and crafty try at tempting me into commenting on the current SDSR discussions, which I will be happy to share with the House at the appropriate time.

Defence Industrial Strategy (SMEs)

7. **Andrew Bridgen** (North West Leicestershire) (Con): What assessment he has made of the potential benefit to small and medium-sized enterprises of the new Defence Industrial Strategy. [14524]

The Parliamentary Under-Secretary of State for Defence (Peter Luff): The Government are committed to enhancing the role of small and medium-sized enterprises, both as a vital part of the United Kingdom's economy and as suppliers to the Ministry of Defence. In December we will publish a Green Paper on our defence industrial and technology policy, which will include proposals for better support for small and medium-sized enterprises. It will be followed by a White Paper. In parallel, we propose to work with industry to review the representation of small and medium-sized enterprises on the National Defence Industries Council to ensure that their voice is properly heard.

Andrew Bridgen: I thank the Minister for his answer, but will he agree to meet me at his earliest convenience to discuss the legitimate concerns of companies in my constituency about tendering for MOD contracts?

Peter Luff: We are well aware that SMEs can suffer particular challenges as a result of excessive delays, frequent changes and complexity in the procurement process. We intend to take full account of those concerns during our development of the Green and White Papers. However, I should welcome an opportunity to discuss the issues with my hon. Friend in my office at an early date, and I look forward to seeing him with his constituents.

Mr Bob Ainsworth (Coventry North East) (Lab): When the Government purchase from small and medium-sized companies, those companies' ability to deliver must be taken into account in the procurement process. Given that the Minister has not yet signed the contract for the light protected patrol vehicle, can he assure us that in that instance, ability to deliver—and in a timely way—will be fully evaluated? The vehicle really is needed in Afghanistan without delay, and that must surely be the Minister's priority.

Peter Luff: I understand the right hon. Gentleman's close personal and constituency interest in this procurement. I entirely agree with what he has said, and I can give him an absolute assurance that the ability to build the vehicle on time will be a key part of our decision. As he has pointed out, it is very important to the protection of our troops in Afghanistan.

Kabul International Conference

8. **Mr Sam Gyimah** (East Surrey) (Con): What assessment he has made of the implications of the outcomes of the recent Kabul international conference of British troops in Afghanistan; and if he will make a statement. [14525]

The Secretary of State for Defence (Dr Liam Fox): The importance of a co-ordinated civilian, political and military strategy was agreed by the Afghan Government and the international community at the Kabul conference. It includes a phased approach to the security-led transition of Afghan provinces from the control of the international security assistance force to that of the Afghan National Security Force, with the aim of ensuring that the Afghan forces are leading military operations across Afghanistan by the end of 2014. United Kingdom personnel are working closely with the ANSF to help it to build its capacity and capability and enable it to achieve that aim.

Mr Gyimah: It is clear that one of the success stories of the Afghanistan situation is the growth and increasing competence of the Afghan security forces. Can my right hon. Friend confirm that we will hand over areas of control to Afghan forces well before 2015, and that it will be a process rather than a single event?

Dr Fox: This is an important issue for the international community as well as the United Kingdom. It is important that, as we achieve transition in Afghanistan, we maintain the cohesion of the alliance and the international coalition as a whole. The process must therefore involve phasing out, not walking out. It is to the advantage of the entire coalition that the countries whose transition takes place in some of the easiest parts of Afghanistan find an alternative role to augment what the international coalition is doing until we are all ready to transfer fully to Afghan authority.

Paul Flynn (Newport West) (Lab): A quarter of the Afghan national mercenary army desert every year. Can the Secretary of State tell us whether, in the last six months, the number of new recruits has been exceeded by the number of deserters?

Dr Fox: What I can tell the hon. Gentleman is that the total target set by the Afghan Government for the Afghan national security forces has been exceeded, that the number of recruits to the Afghan national army is more than two months ahead of schedule, and that the number of people entering the Afghan national police is increasing.

I can also tell the hon. Gentleman that there is a particularly positive trend in the Afghan national police as a result of a change of policy in Kabul. The pay for those entering the national police is now the same as the amount paid to the army, which has helped to increase recruitment. Moreover, literacy lessons are now provided for those joining the Afghan national police. In a country in which literacy levels are barely above 20%, that makes a major difference to recruitment to the security forces.

Sir Peter Tapsell (Louth and Horncastle) (Con): Why did British Ministers choose to ignore the advice given to them on Afghanistan by our exceptionally distinguished former ambassador to Kabul, as a result of which he has asked to be transferred to other duties?

Dr Fox: The Government take advice from a wide range of sources; we are not in Afghanistan on a unilateral basis, but as part of an international coalition. Decisions are taken jointly with those in the international community. We listen to a wide range of experience but are not always able to satisfy every opinion.

British Troops Under US Command (Helmand)

9. **Patrick Mercer** (Newark) (Con): How many British troops are under US command in Helmand province. [14526]

The Minister for the Armed Forces (Nick Harvey): There are no British troops under US national command. The majority of British forces in Helmand, around 6,500, are assigned to the International Security Assistance Force mission, under the command of Commander Regional Command (South West), who is currently a US Marine Corps general. The remainder of UK Forces in Helmand fall under UK national command.

Patrick Mercer: There are elements on the Opposition Benches and in some parts of the media who seem to suggest that coalition warfare never involves, or should not involve, one nation subordinating its troops to another. British troops have been under American command since at least 1917 and vice versa. The system has worked well. Will the Minister give the lie to the nonsense that such things actually impede our sovereignty rather than help it?

Nick Harvey: I readily agree with my hon. Friend that that must indeed be the case. I must also point out that it has been agreed that the UK will take command of Regional Command (South West) on a rotational basis in Afghanistan. More to the point, we should remember that, as part of the ISAF mission, a UK general currently commands Regional Command (South), which includes troops from the US, Canada, Australia and Romania among others. It works both ways and we are all the stronger together for it.

Strategic Defence and Security Review

10. **Eric Ollerenshaw** (Lancaster and Fleetwood) (Con): What recent progress his Department has made on the Strategic Defence and Security Review. [14528]

The Secretary of State for Defence (Dr Liam Fox): We are in the final stages of the Strategic Defence and Security Review. The Department has concluded its detailed policy and capability studies and concluded the force testing process. No decisions have yet been taken by the National Security Council.

Eric Ollerenshaw: I wish my right hon. Friend well in dealing with the numerous problems left by the previous Government. Does he agree that, despite the need for greater co-operation with our allies on procurement and acquisition, we still need to maintain our own world-beating design and manufacturing base if we are to have true operational sovereignty?

Dr Fox: It is vital for the UK clearly to identify our sovereign capability requirements and to pursue them rigorously. That is why we will publish a consultation document later in the year, asking for full consultation on the process to ensure that we have the industrial capability, skills base and regulatory framework to ensure that what my hon. Friend has outlined is made possible.

Angus Robertson (Moray) (SNP): Since the last strategic defence review, more than 10,000 defence jobs have been lost in Scotland. Bases have been closed and regiments amalgamated, and there has been a mammoth defence underspend of £5.6 billion. Will the Secretary of State tell us how the Ministry of Defence will take these facts into account and ensure that consideration and fairness is given to defence spending in all the nations and regions of the UK?

Dr Fox: The priority in the defence review is to ensure that the UK has at its disposal what it needs for its wider national security and that the industrial implications of that are taken into account. I intend to have discussions with the devolved Administrations over the coming weeks to be fully apprised of their concerns about the industrial implications of the SDSR. Ultimately, in a constrained financial environment the No. 1 procurement priority is to ensure that the armed forces have what they need when they need it at a reasonable cost to the taxpayer.

Dr Julian Lewis (New Forest East) (Con): Given the highly specialised tasks involved in defending our airspace for the indefinite future, does the Secretary of State agree that it would not, in any way, compromise the integrity of the strategic defence and security review if he were to state today, in the week in which we celebrate the 70th anniversary of the climax of the battle of Britain, that he will give no time to the strategically illiterate suggestion that the Royal Air Force should be abolished and absorbed into the other two services?

Dr Fox: In general it would be wrong of me to pre-empt the SDSR, but I can give my hon. Friend an absolute assurance that the Royal Air Force will continue.

Mr Bob Ainsworth (Coventry North East) (Lab): May I say to the Secretary of State that the leaders of industry, as well as the trade unions, are enormously worried that adequate evaluation of the industrial ramifications is not taking place ahead of the main decisions of the SDSR? He cannot do this in sequence without taking huge risks. Will he ensure that the industrial consequences of the review are fully evaluated—or is the timetable being dictated by the Treasury?

Dr Fox: The biggest risk that we face in our security is that we have a muddled and incoherent defence programme left over from the previous Government. Before the Labour party lectures the coalition Government about the financial implications that we face, it might want to remember that with a defence budget of some £35 billion a year, it has left behind an overspend in the equipment programme of £38 billion by 2020, with which we are going to have to deal.

Equipment Funding

13. **Mr Matthew Offord** (Hendon) (Con): What recent representations he has received on funding for equipment for UK troops in combat operations. [14531]

The Parliamentary Under-Secretary of State for Defence (Peter Luff): The coalition Government are absolutely committed to funding equipment required for UK troops on operations. In June, the Prime Minister announced uplifts totalling £256 million for equipment for Afghanistan and, on top of that, the MOD and the Treasury continue to approve new urgent operational requirements—more than £95 million since June. I am also delighted to be able to tell the House that the latest armoured all-terrain vehicle, Warthog, arrived in Afghanistan on Friday.

Mr Offord: I thank the Minister for his response. Given that improvised explosives devices are now the favourite weapon of the Taliban in Helmand province and are causing more of our troops to be killed and injured, will the Secretary of State tell us what he is doing to ensure that our brave soldiers have the necessary equipment to counter this deadly threat?

Peter Luff: My hon. Friend is absolutely right to emphasise this very serious threat to our forces. We recognise fully the rapidly evolving threat of IEDs and take all possible measures to combat them. While visiting our troops in Afghanistan on 10 June, the Prime Minister announced an additional £67 million for the counter-IED campaign; this will include specialist dogs, bespoke counter-IED Mastiff vehicles, remote-controlled vehicles, and equipment to neutralise and analyse IEDs. In addition, the MOD and the Treasury continue to approve new equipment to counter the impact of IEDs through the urgent operational requirements process. Since June, an additional £50 million of new counter-IED UORs have been approved, including sophisticated detection equipment, new personal protective clothing and the new counter-IED collective training capability—it is a pretty good story.

Mr Bob Ainsworth (Coventry North East) (Lab): May I ask the Minister to try to answer this question, rather than to rant in the way that the Secretary of State did in response to my previous question? Can the

Minister tell us why the Government have delayed the deployment of the new Chinook helicopters ordered last December?

Peter Luff: I understand why the right hon. Gentleman wants to make mischief on this particular issue, but he is confusing two separate issues. Commanders on the ground will always welcome enhanced helicopter capability—of course they will—and we will do what we can to deliver it. However, military commanders have confirmed that they have the helicopters they need to carry out the tasks that they have been given. Since November 2006, helicopter availability has increased considerably— by 140%—and more Chinook mark 3s will be available for deployment in the months ahead. These kinds of criticisms from those on the Labour Benches would be better made if they had not left us with this wretched £38 billion overspend.

Mr Julian Brazier (Canterbury) (Con): The House will have noticed a certain role reversal just then. On helicopters in Afghanistan, may I urge my hon. Friend to look hard at the practice of the Americans, nearly half of whose combat helicopters are piloted by reservists? Such an approach would make a huge saving to the taxpayer and guarantee a large number of flying hours on the part of those operating them.

Peter Luff: I understand the point that my hon. Friend makes, and I am aware that he has made it on a number of occasions. Of course we benefit from the activities of American pilots in Afghanistan and I assure him that we will continue to do so.

Mental Health Care

14. **Chris Evans** (Islwyn) (Lab/Co-op): What recent assessment he has made of the provision of mental health care for members of the armed forces and for veterans. [14532]

The Parliamentary Under-Secretary of State for Defence (Mr Andrew Robathan): The Ministry of Defence has a wide range of measures in place to monitor and manage the mental health of serving personnel, and has been exploring with the NHS to ensure ex-service personnel get the care they require. The current strategic defence and security review will include consideration of possible enhancements to medical care, including improved mental health care. As I said in answer to an earlier question, the Prime Minister has asked my hon. Friend the Member for South West Wiltshire (Dr Murrison) to conduct an independent study of the provision of support and services to the armed forces and ex-service personnel and to make recommendations for improvement, particularly in the area of mental health.

Chris Evans: I thank the Minister for that response. Given that he implied on the BBC's "File on 4" in June that he does not believe people should be screened for mental health problems, will he give an assurance that the Government are still committed to a compulsory mental health check for people on discharge from the services?

Mr Robathan: If I might say so, the hon. Gentleman misquotes what I said on "File on 4". We take mental health very seriously; for instance, as I said in answer to an earlier question, we are looking into post-traumatic stress disorder and, indeed, I will visit the King's Centre for Military Health Research next month to discuss that matter with Professor Wessely. It is very important that we take mental health seriously, and we are looking at how we can identify mental health problems, but I am not a clinician—I am not aware whether the hon. Gentleman is—so I cannot do other than take the advice of mental health professionals who say it is very difficult to screen people correctly and accurately for mental health problems until they present themselves with those problems.

Claire Perry (Devizes) (Con): May I ask the Minister to continue to recognise the wider impact of combat stress, particularly on Army families? As my hon. Friend the Member for North Wiltshire (Mr Gray) said, and as we discussed when I went to the launch of a new charity in Tidworth, combat stress has a huge impact on the wives, children and husbands of serving armed forces members. Please will the Minister also confirm that other measures, such as our educational premium for Army children and scholarships for the children of the fallen, will survive the spending review, as they are critical to bolstering the military covenant?

Mr Robathan: My hon. Friend has put her finger on exactly the right spot: we are looking at the military covenant and how we may enhance the relationship between the Government and people of this country and the armed forces and the work they do. We are looking very closely at some of the issues my hon. Friend mentioned. As she will know, one or two of them are covered in the coalition agreement for government document and I think it highly unlikely that any Minister would dare renege on that programme for Government.

Mr Kevan Jones (North Durham) (Lab): First, may I say that I agree totally with the Minister's opposition to screening for mental health? He is right on that. Contrary to the rhetoric before the last general election, as a member of the last Labour Government I was pleased to be part of an Administration who delivered the seven mental health pilots and the partnership agreement between Combat Stress and the Ministry of Defence and who funded the research at the King's Centre for Military Health Research. Can the Minister give an assurance that those mental health pilots will be rolled out and that he will fight hard to ensure that not only are the lessons learned but the money is there to support them?

Mr Robathan: I am glad that we are agreeing about so much today, but I am afraid that I cannot prejudge the SDSR in any way, shape or form, as that is more than my job is worth. However, I will say this: I think it highly unlikely that we will reduce the mental health services provided for our serving and ex-service personnel because, frankly, we have made commitments on that and we cannot possibly renege on them.

Cyber-Security

15. **Andrew Selous** (South West Bedfordshire) (Con): What steps he is taking to develop a military cyber-security policy. [14533]

The Secretary of State for Defence (Dr Liam Fox): Cyber-security is an important element of the SDSR and has already had considerable consideration. Decisions on enhancing our capabilities will form part of the review, which we will announce to the House later this autumn.

Andrew Selous: Can my right hon. Friend tell the House how much interdepartmental co-operation there is on these issues, which remain a very serious, if invisible, threat to the United Kingdom, and one that the MOD should not have to shoulder on its own?

Dr Fox: I entirely agree with the sentiments at the end of my hon. Friend's question. Indeed, this is a cross-governmental problem, and it is one of the matters in which there is a huge advantage from dealing with it under the National Security Council because that means we are able to consider it in a cross-governmental manner. It would be quite wrong if the enhancements to cyber-security that protected all of government were to fall only on parts of it. It therefore makes sense to look at the concept of how we approach it both on a budgetary and a functional basis.

Mrs Madeleine Moon (Bridgend) (Lab): If we are to develop an effective cyber-security policy and to think forward, we must also invest in research and development. Will the Minister give a commitment to ensuring that as part of the defence and security review there will be sufficient capacity for research and development, particularly on cyber-security?

Dr Fox: Investing in better cyber-security will not be an "option" for the United Kingdom. What is being considered under the National Security Council as part of the SDSR is how that occurs. We will face increasing threats in cyberspace in the years ahead—the question is how we identify the weakest areas, which need to be looked at first, and how we develop the technologies so that, as the other technologies that might affect us continue to evolve, we are best protected. That will require us to look at research across the board.

Defence Export Sales (Taiwan)

16. **Mr Ben Wallace** (Wyre and Preston North) (Con): What recent discussions he has had with the Secretary of State for Business, Innovation and Skills on support for defence export sales to Taiwan. [14534]

The Parliamentary Under-Secretary of State for Defence (Mr Gerald Howarth): Defence Ministers have had no engagement with the Secretary of State for Business, Innovation and Skills on support for defence export sales to Taiwan.

Mr Wallace: I thank the Minister for that answer. Given that a fundamental plank of our procurement policy is exportability and in light of the fact that the Secretary of State's right hon. Friend the Secretary of State for Business, Innovation and Skills historically has a lukewarm attitude to our aerospace industry, will the Minister make it absolutely clear that there is no official or unofficial policy on the part of this Government to oppose or block arms sales to Taiwan—a friend in that part of the world and somewhere with which British industry can do business?

Mr Howarth: First, may I confirm to my hon. Friend and to the House that the Government attach the highest priority to defence exports? The procurement decisions that the Under-Secretary, my hon. Friend the Member for Mid Worcestershire (Peter Luff), will be making as Minister for procurement will be based on considering exportability as a key factor. As for Taiwan, I can confirm to my hon. Friend the Member for Wyre and Preston North (Mr Wallace) that there is, as I understand it, no reason why defence exports should not be made to Taiwan. He will understand the sensitivities involved, and that although the licensing of defence exports is primarily a matter for the Department for Business, Innovation and Skills, that Department nevertheless consults both the Ministry of Defence and the Foreign and Commonwealth Office, and that that is the right way to proceed. I take note of my hon. Friend's invitation to explore another market where we might make some progress.

Topical Questions

T1. [14542] **Andrew Stephenson** (Pendle) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Defence (Dr Liam Fox): My departmental responsibilities are to ensure that our country is properly defended now and in the future, that our service personnel have the right equipment and training to allow them to succeed in their military tasks and that we honour the military covenant.

Andrew Stephenson: On Saturday I visited Euravia, a company that repairs and overhauls aircraft engines, which is located in Kelbrook in my constituency, for the presentation of the Queen's award for enterprise in the international trade category. Does the Secretary of State agree that high-tech manufacturing jobs play a vital role in our economy?

The Parliamentary Under-Secretary of State for Defence (Peter Luff): It is difficult not to agree with that very important statement. I agree entirely with my hon. Friend. Of course, defence manufacturing jobs play a particularly important part in the high-tech end of manufacturing. We will bring forward a defence industrial and technology policy Green Paper later this year, which I hope will underline the importance of that issue.

Mr Bob Ainsworth (Coventry North East) (Lab): In May, the Secretary of State said that

"there is no lack of clarity in the Government's policy: we believe in a continuous, at-sea, minimum, credible, nuclear deterrent, based on the Trident missile system. I hope that that is explicit enough".—[*Official Report*, 26 May 2010; Vol. 510, c. 272.]

Will the Secretary of State repeat that?

Dr Fox: Well, I am not sure that I need to repeat it—put simply, I agree with it.

T2. [14543] **Andrew Selous** (South West Bedfordshire) (Con): Given the importance of stability in Pakistan to this country's security, will my right hon. Friend say what assistance this country's armed forces are giving to the armed forces of Pakistan at the moment?

Dr Fox: My hon. Friend is absolutely correct that Pakistan is a very important security partner if the gains that we have made in Afghanistan are to be maintained in the longer term. We must help with the technical capability of the Pakistani security forces in policing and with their wider military capabilities and we must also encourage the Pakistani Government to maintain the necessary political drive behind the process. In particular, it is vital that the Pakistani Government recognise that it is their duty to deal with the Afghan Taliban and not just with the Pakistan Taliban if we are to get security in the longer term.

T4. [14545] **Ann McKechin** (Glasgow North) (Lab): The Secretary of State will be aware of the recent reports on the failure of UN forces in the Democratic Republic of the Congo to prevent the horrific scale of rapes and violent attacks against women. Will he confirm what priority he and this Government will be taking in promoting UN security resolution 1325 and in tackling violence against women in conflict areas?

Dr Fox: We take this responsibility extremely seriously. In conjunction with my right hon. Friends the Foreign Secretary and the International Development Secretary we will continue to push to ensure that the rights of women in those areas are fully protected because what we have seen in recent years, particularly the use of rape as a weapon of war, is utterly disgusting to any civilised part of the world.

T3. [14544] **Jo Swinson** (East Dunbartonshire) (LD): The bodies of five people working for the Afghan woman MP Fauzia Gailani were recently found after having been abducted by the Taliban. Their hands had been tied and they had been shot in the head. With the elections this Saturday, many candidates and their staff, especially women, fear for their safety. What are the Government doing to ensure that the integrity of the elections is not compromised by the security threat posed by the Taliban?

The Minister for the Armed Forces (Nick Harvey): I entirely share my hon. Friend's abhorrence of what has happened and I am sure that everyone in the House would condemn those appalling murders outright. We are working with the Government of Afghanistan and with international partners to ensure that female candidates and voters have an increased level of support, but the Afghan national army and national police have the lead throughout Afghanistan in providing security for the elections as they did successfully during the presidential elections last year. On the ground, ISAF forces, including UK forces in Helmand, will provide support such as ISTAR—intelligence, surveillance, target acquisition and reconnaissance—to assist the Afghans, and partnered UK-Afghan combined forces will stand ready to provide any further assistance that may be required.

Michael Dugher (Barnsley East) (Lab): Tomorrow in St John the Baptist church in Cudworth in my constituency there will be a memorial service and dedication to the memory of Captain Martin Driver of 1st Battalion the Royal Anglian Regiment, who died earlier this year. Will the Government join me in paying tribute to that truly outstanding individual and in sending condolences to his family and friends?

Dr Fox: I have the greatest pleasure in doing so. It is always worth our remembering that we are extremely fortunate in this democratic country to have people who volunteer to put life and limb at risk for the security of their fellow citizens. We should remember the heroic sacrifices that they make at every opportunity. When there are those who, as we have seen in recent times, protest against what our armed forces do, the correct answer is not to restrict what they get to say but for more of us to get on to the streets in every possible way, including at the sort of ceremony that the hon. Gentleman mentions, to show our support for our armed forces.

T5. [14546] **Mr Peter Bone** (Wellingborough) (Con): Last Thursday, the House debated for the first time a substantive motion on the war in Afghanistan. Fifty-one Members spoke, many more attended and the Government's policy was supported overwhelmingly. Will the Secretary of State confirm that, in future, progress on the war will be reported to the House and that, in particular, any change in policy will be announced in the House first rather than to the media?

Dr Fox: May I begin by reiterating what I said in that debate, which is that for the House to have more control over its time is a positive step and that for it to have chosen Afghanistan as the subject for one of its first debates was an extremely positive development? We are committed to keeping Members of the House and of the other place fully informed about what is happening in operations. There is a further briefing by General Messenger this evening in the House. On the very first occasion that I was at this Dispatch Box as the Secretary of State I said that it was our intention to keep the House updated quarterly on Afghanistan: that will be undertaken by the Prime Minister, the Foreign Secretary and me.

Alison Seabeck (Plymouth, Moor View) (Lab): Will the Secretary of State confirm that his Department is having discussions with other Departments, including the Treasury, about the impact that the SDSR proposals will have, linked to the comprehensive spending review, on the skills base in places such as Plymouth? We in Plymouth, in the dockyard and the naval base, depend on those jobs; we are 309th out of 324 authorities in terms of being dependent on the public sector, so any loss of jobs or in the skills base will impact seriously on our local economy and on the Treasury.

Dr Fox: The hon. Lady raises an important question. In the deliberations we have had in the House on the defence industry and defence capabilities, I am not sure that the skills base has always been given the priority it ought to have. That is why as part of the consultation that I outlined earlier we will be specifically looking at the skills base, because if we are to look at the contribution to the defence industry, for example, of our small and medium-sized enterprises, the skills base, as well as the regulatory and fiscal frameworks, is key. Of course, as the hon. Lady knows, I cannot pre-empt the SDSR but these things are a very important part of the Government's wider defence industrial strategy, which we shall outline and welcome consultation on, in the months ahead.

T6. [14547] **David T. C. Davies** (Monmouth) (Con): The circumstances of the death of former Ministry of Defence employee, Dr David Kelly, continue to leave many people feeling profoundly uneasy. Are those concerns shared within the Ministry of Defence and, if so, will the Minister be pushing other Departments to come up with a full, open and transparent investigation as soon as possible?

Nick Harvey: This matter is predominantly the responsibility of the Attorney-General. I am pleased that he has indicated that if any new evidence is put before him that would flesh out the concerns that have been expressed about the circumstances of Dr David Kelly's death, he would be willing to instruct that a fresh inquest should take place.

Robert Flello (Stoke-on-Trent South) (Lab): Many former British military personnel are working in places such as Afghanistan and Iraq on UK and US Government security contracts. What steps are the Ministry of Defence and the Secretary of State taking to ensure that when former British military personnel lay their lives on the line, like their currently serving colleagues, the terms, conditions and welfare of those very brave men and women are looked into and they are looked after and taken care of?

The Parliamentary Under-Secretary of State for Defence (Mr Andrew Robathan): The hon. Gentleman asks a very interesting question. Of course, people who go out to Afghanistan for commercial organisations are usually paid a great deal more than our service personnel, which is often why they have left the Army, for instance, to work for security companies. I pay tribute to their bravery in Iraq, now and in the past, and in Afghanistan, but I am not sure it is the responsibility of the Ministry of Defence to compensate them should they be injured while on a commercial contract with a commercial company.

Several hon. Members *rose—*

Mr Speaker: Order. If we are to make serious progress, we need rather pithier questions and answers from now on.

T7. [14548] **Sarah Newton** (Truro and Falmouth) (Con): What recent assessment has the Secretary of State made of the benefit of the Royal Fleet Auxiliary cluster contract in reducing costs and improving efficiency?

Peter Luff: I am delighted to be able to tell my hon. Friend that her constituency is playing a major part in ensuring that those contracts are delivering, as it were, more for less, with much greater capability compared to previous contracting arrangements, at lower cost. I congratulate her constituents in Falmouth for the part they are playing.

Dr William McCrea (South Antrim) (DUP): In the light of the strategic defence and security review, can the Secretary of State assure the House that the coalition Government will maintain our forces' capability to protect UK interests across the world?

Dr Fox: In adopting the so-called adaptive posture the National Security Council specifically said that because we are unable to predict the exact nature of future conflict it was essential to maintain generic and flexible defence capabilities that can adapt to the sort of threats that may emerge in the future. That of course came on top of the Foreign Secretary's clearly stated aims that in a genuinely globalised economy where our economic interests are so widespread the United Kingdom cannot afford strategic shrinkage.

T8. [14549] **Mr Douglas Carswell** (Clacton) (Con): The Minister has the unenviable task of running a Defence Department in a difficult financial climate. Does he agree that this makes it all the more vital that we get maximum value from our defence budget? Could we not achieve that if we bought more kit generically off the shelf, rather than through a protectionist defence industrial strategy?

Peter Luff: Obviously, the prime duty of Ministers in the Ministry of Defence is to ensure that our troops have battle-winning military superiority, but I agree with my hon. Friend that that can often be done by buying off the shelf. Strangely, in a fast-moving technological world, that can often mean superior products with lower operational risk, which brings double benefits. As I have emphasised, there are many areas in which sovereign capability is absolutely vital, and cannot be prejudiced—for example, in cryptography.

Kevin Brennan (Cardiff West) (Lab): The Secretary of State rightly mentioned the importance of skills to our armed personnel. Will he take the opportunity to reaffirm the previous Government's commitment to the building of a new defence training college at St Athan in south Wales?

Dr Fox: The whole training defence review and its consequences, including St Athan, will be looked at as part of the wider strategic defence review.

T9. [14550] **Mr Desmond Swayne** (New Forest West) (Con): I declare an interest as a serving Territorial Army officer. In considering the defence review, will my right hon. Friend bear in mind the important role of reservists in recent military conflict, and the potentially more important role that they might play in future conflicts?

Mr Robathan: My hon. Friend is absolutely right. [HON. MEMBERS: "Gallant."] Indeed; my hon. and gallant Friend, if hon. Members like, because he certainly is. I pay tribute to him and to my hon. Friend the Member for Milton Keynes North (Mark Lancaster), as they have both served in operational theatres, gaining invaluable experience, which they bring to the House to provide knowledge for those debates from which it may conceivably be lacking. I pay tribute to my hon. Friend the Member for New Forest West (Mr Swayne), and to the reservists. He is absolutely right: historically, for instance in both the first and second world wars, it was the Territorial Army, the yeomanry and so on who made up the bulk of our forces who defeated our enemies.

Luciana Berger (Liverpool, Wavertree) (Lab/Co-op): As well as being a world leader in weather forecasting, the Met Office is playing an increasingly important

role in accurately monitoring climate change. What discussions has the Secretary of State had regarding its privatisation?

Dr Fox: I have not been involved in any specific discussions so far, but we will certainly look at all the assets owned by the Ministry of Defence to determine whether they offer value for money or whether, in the current fiscal climate, we need to be able to realise the value of some of our assets.

T10. [14551] **Andrew Bridgen** (North West Leicestershire) (Con): Will my right hon. Friend join me in congratulating cadet forces in the year in which they celebrate 150 years of activity in the UK? What assurances can he offer the combined cadet forces so that they can play their part in the big society following the strategic defence review?

Dr Fox: Well, they keep digging. My hon. Friend is absolutely right about the role of the cadets, who play an important part as a bridge between society as a whole and the armed forces. They are greatly to be encouraged, and we are looking at ways in which we can make them more effective as part of the SDSR.

John Woodcock (Barrow and Furness) (Lab/Co-op): When the Secretary of State was in opposition, he repeatedly and convincingly made the case that delays to projects ended up costing the UK taxpayer more and put at risk our prized skills base. Will he rule out any such delay in the Trident successor programme or anything else in the strategic defence review?

Dr Fox: I would love to be able to give just such an assurance, but as I pointed out earlier, with a defence budget of £35 billion or so a year, we inherited an overspent equipment programme of £38 billion. The Opposition may not regard that as a priority, but dealing with it is a priority for the coalition Government if we are to put our armed forces and our defence industry on a sound, stable and predictable footing for the future.

Proposed Public Expenditure Cuts

3.33 pm

Bob Russell (Colchester) (LD) *(Urgent Question)*: To ask the Chancellor of the Exchequer if he will make a statement on his additional proposals for cuts in public expenditure. I am grateful to you, Mr Speaker, for allowing this urgent question.

The Chancellor of the Exchequer (Mr George Osborne): I am grateful for the opportunity to update the House on the progress of the spending review, and to remind people of the context in which we make these difficult decisions.

The previous Government left Britain with the largest budget deficit of any major economy and no credible plan to deal with it. That was a major cause of instability and uncertainty that threatened any prospect of economic recovery. It was reflected in the substantially higher market interest rates that British families and businesses were being charged compared with those for families and businesses in countries that were regarded as less exposed to sovereign credit risk. The new Government had to take urgent steps to restore stability and allay fears about our country's ability to pay its way in the world. In the words of the previous Labour Prime Minister,

"if we fail to offer a convincing path out of debt, that...will itself plunge us into stagnation".

Those views were echoed in the comments this weekend from the International Monetary Fund, which said that

"fiscal consolidation remains essential for strong, sustained growth over the medium run".

That is why in the Budget I announced decisive steps to get the deficit under control. I believe that that Budget has restored stability to the British economy and provided a sound basis for a sustainable recovery. It has helped keep down the market interest rates that Britain pays on its debts, which are today more than half a percentage point lower than at the general election. In other countries, such as Spain, Portugal or Ireland, these same rates have stayed broadly flat or gone up since then.

Because of the measures that we are taking, independent forecasters are increasingly confident about the British economy. Last week the OECD predicted that the UK would see the strongest growth in the G7 this quarter and the second strongest growth next quarter. I can also tell the House that today the EU predicted that the UK will see the strongest recovery in the second half of this year of any major European economy. These, of course, are just forecasts and all this hard-won stability would be put at risk if we did not now implement the components of our Budget plan.

Let me remind the House of the measures that we took at the emergency Budget and the steps that we now have to take. We are set to tighten the public finances by a total of £113 billion by 2014-15. Of this, £29 billion will come from tax measures, including the increase in VAT, higher capital gains tax and a new permanent levy on banks. A further £11 billion will come from the welfare reforms announced at the Budget. Another £10 billion will come as a consequence of paying lower interest charges on the national debt as a result of our plan—£10 billion that those who opposed the Budget plan would have to find to pay the holders of Government debt.

That leaves £61 billion that will come from reductions to departmental expenditure plans. It is worth reminding the House that £44 billion of that £61 billion was assumed in the figures left to us by the previous Government. In other words, for all the synthetic noise and fury that we hear, £3 of every £4 that we are having to cut were cuts that the Opposition were planning to make. Unfortunately, not a single one of those pounds was allocated to a specific programme.

Our job now is to allocate those departmental budgets. That is the purpose of the spending review that is under way, and I will announce the full results to the House of Commons on 20 October. The review is informed by the largest public consultation exercise ever undertaken on public expenditure. More than 100,000 substantive ideas have been received from members of the public. Teams at the Treasury have been sifting through these ideas over the past six weeks and some are already being implemented.

We have also created a mechanism for collective discussion of spending issues across the Cabinet, which is something of an innovation, so the Prime Minister—*[Interruption.]* Well, there was a Cabinet Committee on life chances, on talent and on democratic renewal under the previous Government, but no permanent committee on public expenditure. The Public Expenditure Committee of the Cabinet has already met twice this month and will meet again this week.

Of course, some decisions that shape the spending review have already been taken. We will protect the budget of the NHS with real increases, we will honour the commitments on international aid that we have made to the poorest in the world, and we will protect capital investment in our economic future. We have not reduced capital spending in future years beyond the plans that we inherited, and as we take further decisions, we will strive to ensure that those support economic growth, promote reform and local control, and are fair—fair between different sections of society and between different generations.

Let me say something about welfare spending—*[Interruption.]*

Mr Speaker: Order. May I tell the Chancellor that he has well exceeded his time? Allowance will have to be made for the Opposition Front Bench. That will happen today, but in future the time limits must be adhered to in this place.

Mr Osborne: I will heed your injunction, Mr Speaker, but the question was a very general one about an update on the public expenditure review.

I shall say something about welfare, if the Speaker will allow me. The welfare bill has risen by 45% in the past 10 years and almost £1 in £3 that the Government spend goes towards welfare. The current system is not protecting those who genuinely cannot work, nor is it helping those desperately looking for work to find a new job quickly. Close to 5 million people are on out-of-work benefits, more than half of whom have spent at least half of the past 10 years in this situation. Rather than rewarding work and supporting the vulnerable, we are wasting the

lives of millions of people. That is why my right hon. Friend the Secretary of State for Work and Pensions is working with me and other Cabinet colleagues to see what we can do fundamentally to reform the welfare system so that it rewards work and supports aspiration, as well as saving the taxpayer on what someone once called the bills for social failure. When we have decisions to announce, we will bring them to the House and, of course, we will want to keep the House informed in other ways.

I have already given the Treasury Committee an unprecedented power to veto my preferred candidate to chair the independent Office for Budget Responsibility, Mr. Robert Chote, and I can tell the House today that I have asked my hon. Friends the Members for Gainsborough (Mr Leigh) and for Southport (Dr Pugh) to draw on their considerable expertise on the Public Accounts Committee in the last Parliament to advise the Government on how to improve the financial management systems that we have inherited, and in turn improve accountability to the House.

We have many difficult choices to make, but one thing is clear: one party created this mess; two parties are working hard to clear it up.

Bob Russell: If the Chancellor wished to give a full statement to the House, he could have done so last week rather than giving a cursory one to the BBC and having to be dragged here today. I acknowledge that 75% of the cuts are Labour's cuts, but we have not as yet had the spending review. Clearly, none of the cuts will affect the quality of life of Members of Parliament, but they will certainly affect the disadvantaged in society. We know that there will be higher food costs in the coming year, and other costs will rise. I have no time for the welfare cheats, but to try to blame this country's financial ills on that small category of the population is unethical. It would be more ethical to act with equal determination towards those who cheat on tax, whether it be income tax, value added tax or corporation tax. There is now a whole industry of financial experts advising people on tax avoidance.

The turf war between the Chancellor's office and that of the Secretary of State for Work and Pensions is somewhat immature. Children living below the poverty line and people on low incomes, the disadvantaged in society, do not want these fun and games, they want fairness.

Mr Osborne: The position on welfare is exactly as I set out in my Budget speech at this Dispatch Box when I said that if we could find further savings on welfare, we would be able to reduce the pressure on other Departments. That was what we were planning to do over the coming months as part of the spending review, and that is exactly what I said in the television interview to which my hon. Friend refers.

Secondly, it would be impossible to conduct a spending review without looking at the welfare bill. Whether one is looking for £61 billion of savings or £44 billion, welfare spending accounts for a third of the entire Government budget, so one has to look at the welfare budget. That is what we are doing, but we are looking to do it in a way that reforms welfare, to help those millions of people who have been trapped for a decade or more on out-of-work benefits into work, to help those with aspirations to improve their income, to make sure that work is rewarded by the benefit system, and to do that while we are protecting those who cannot work and protecting the most vulnerable in our society. I would argue that the failure on welfare reform over the last decade was one of the greatest failures of the previous Government.

Despite the lurid headlines in some newspapers, the relationship and the co-operation between the Treasury and the DWP is strong. There is a perfectly natural— *[Interruption.]*

Mr Speaker: Order. The Chancellor must be heard. This sedentary chuntering needs to come to an end. I want to hear the Chancellor.

Mr Osborne: It is an improvement on the situation under the previous Government, where there was absolutely no contact between the Secretary of State for Work and Pensions and the Chancellor. The two Departments are working very well. Obviously the Treasury is interested in financial management and control: that is a proper part of our function. My right hon. Friend has inspirational plans that he has worked on to reform welfare and get people working, and the two of us are working together with colleagues in the Cabinet to make that happen.

Let me finally say something about the tax gap and people who do not pay their taxes. Later this week, figures will be produced—independent figures, not produced by me—which will show the latest situation on the tax gap that we have inherited: in other words, the gap between what should be collected in tax and what is collected in tax at the moment. Judging by previous figures I have seen, I think that the House will be pretty staggered by this number. *[Interruption.]* Labour Members seem to forget that their people were in power for 13 years. We have inherited this situation, and we will be taking steps to reduce tax avoidance, including tax avoidance by the richest people in our society, so that everyone makes a contribution.

Yvette Cooper (Normanton, Pontefract and Castleford) (Lab): The shadow Chancellor and the shadow Chief Secretary are not in Westminster today, Mr Speaker, and you will be aware that I had asked a similar urgent question of the Secretary of State for Work and Pensions, so it is good that the Chancellor is replying, although very unfortunate that the Secretary of State for Work and Pensions has chosen not to come to respond.

On Thursday, the Chancellor told the BBC that the Government were cutting an additional £4 billion from out-of-work benefits. The BBC website says:

> "The government is planning to reduce the annual welfare bill by a further £4bn, Chancellor George Osborne has told the BBC."

Today, he has refused to tell the House what he told the BBC. Did the BBC correspondents just get it wrong? Did they mishear what he said? Will he now come clean and tell us what he has in fact got agreed and planned for the additional cuts that he wants to make to the welfare bills for the spending review? Will he tell us whether the Secretary of State for Work and Pensions has agreed to £4 billion of additional cuts? Will he admit that the timing of this interview had nothing to do with reaching agreement on the spending review

[Yvette Cooper]

with the Work and Pensions Secretary and everything to do with getting Andy Coulson off the BBC headlines for the day?

In June, the Chancellor wrote to the Secretary of State:

"I am pleased that you, the prime minister, and I have agreed to press ahead with reforms to the ESA as part of the spending review that deliver net savings of at least £2.5bn by 2014/15."

His Chief Secretary said yesterday that this was not agreed; well, is it agreed or isn't it?

The Chancellor is not being straight with the House—*[Interruption.]*

Mr Speaker: Order. The hon. Member for Wellingborough (Mr Bone) is normally a pretty equable fellow; he is getting a little over-excited. I must ask the right hon. Lady to withdraw that term. No Minister would be other than straight with the House. She will find another word, I feel sure.

Yvette Cooper: I certainly accept your point, Mr Speaker. I am sure that no Minister would want not to be straight with the House, and I am sure that the Chancellor will be. I withdraw any suggestion that he was not, because I am sure that he will be.

Will the Chancellor confirm, therefore, that saving an additional £4 billion from getting people into work will require new jobs for 800,000 people, at a time when his own Office for Budget Responsibility says that far from creating an extra 800,000 jobs, his Budget will cut 100,000 jobs from the economy in each and every year?

The Chancellor has also said that he plans to target the workshy and those who are fit for work. Will he confirm, however, that savings from getting those who are fit for work off sickness benefits are already built into the Treasury figures, and that cutting an extra £2.5 billion from employment support allowance would hit only those who have been through the new, tougher test and who even his Ministers agree are genuinely too sick or too disabled to work? Is it not the truth that he is planning to cut the level of support for some of the most vulnerable people in society? Will he confirm that someone who is on employment support allowance, and has been through the test, is already facing a £285 cut in the value of their ESA and an average £650 cut in their housing benefit as a result of his plans?

The Chancellor claims to support jobs and to be progressive, but he is doing the opposite. The truth is that his plans hit the poorest harder than the rich, women harder than men and children and pensioners worst of all. Now he has shown that he is targeting those who are most sick and disabled in society. Is it not the truth that he has decided to hit those who he knows will find it harder to fight back? This is not progressive; it is a nasty attack, and he should withdraw it now.

Mr Osborne: First of all, I note that there has still not been a word of apology about leaving this country with the worst public finances in its history. Nor, by the way, has there been an apology for the complete failure, by the right hon. Lady and her predecessors as Secretary of State, to reform the welfare system, despite all those promises.

In the Budget speech, I made it very clear that we were looking for additional savings from welfare. If the Labour party wants to propose some ideas to make up its £44 billion part of the savings package, perhaps it will contribute to this debate. Sadly, at the moment, we have had absolutely no ideas from it. It opposed the VAT rise; the pay freeze; the in-year savings; the housing benefit reforms; the tax credit reforms; the switch to the consumer prices index for benefits; and the abolition of child trust funds. It opposed all those things. They are £33 billion worth of cuts.

Where are the Labour party's numbers? Where are its ideas? If it wants to engage with us in a real debate about how we reform welfare, protect the most vulnerable and help people who can work into work, we will be all ears. But at the moment there is a deafening silence from the Labour party.

The right hon. Lady talks about my right hon. Friend the Secretary of State for Work and Pensions not being here. He happens to be at a conference in Europe about international labour market reforms. The shadow Chancellor is not here, and nor is a single one of the Labour party leadership contenders. That is because instead of talking about the national interest, they are courting the votes of vested interests.

Nadhim Zahawi (Stratford-on-Avon) (Con): I congratulate the Chancellor on his innovative way of taking suggestions from the public on the spending challenge. Has he had any suggestions from the shadow Chancellor or the Labour party leadership contenders?

Mr Osborne: The answer to my hon. Friend is no. Since Labour Members called for a vote on the value added tax rise, we have discovered that actually the shadow Chancellor supports the VAT rise. So he did have ideas; he just did not tell us about them.

Barry Gardiner (Brent North) (Lab): If the recent report from BDO Stoy Hayward, which says that we could be back in recession by Christmas, proves true, how many more billions will the Chancellor take off the most vulnerable in society?

Mr Osborne: I draw the hon. Gentleman's attention to the central forecasts produced by the Office for Budget Responsibility, the Bank of England, the OECD and the European Commission. They forecast steady and sustainable growth over the coming period. I take the view—a view shared by quite a number of people who observe the British economy—that if we had not put in place, in the Budget, a credible plan to reduce the budget deficit, this country would be in an economic mess.

Mr Andrew Tyrie (Chichester) (Con): The Chancellor helpfully published, decile by decile, the distributional effects of a number of his measures in the Budget. But the exclusion from his analysis of a number of other measures has led to a lot of controversy about whether his Budget is progressive or regressive. Will he now commit to publishing in the comprehensive spending review a full analysis of all the measures in aggregate, decile by decile, so that we can see whether their effects will be progressive or regressive?

Mr Osborne: First, let me say to my hon. Friend that the previous Government never published any distributional impacts as part of their Budgets. We have begun that work in the Red Book. We said that we wanted to receive comments about how we could improve the work. There is a real challenge, of which my hon. Friend is well aware, given all his experience, to do with the modelling of some of the impacts. The Treasury model, which, of course, we inherited—we did not create a new Treasury model—has made it very difficult to model certain expenditure changes.

We will continue to try to provide Parliament with the best information that we can, but I do not want to promise to deliver something that I cannot actually deliver.

Kate Green (Stretford and Urmston) (Lab): I welcome the Chancellor's repeated commitment to supporting people back into work. Can he confirm that benefits savings that may be achieved will be prioritised for DWP back-to-work programmes and, in particular, that the funding needed to meet the objectives of dynamic benefits will be provided to the Secretary of State for Work and Pensions as a first call on any savings on the benefits bill?

Mr Osborne: We have a dual task. We have a welfare bill that represents a third of all Government spending; and, given that at least half the Labour party—I think—still believes in trying to reduce the deficit, we have to find savings from the welfare bill. At the same time, we are seeking a fundamental reform of welfare to encourage people into work. Bringing those two objectives together is precisely what I am working on with the Secretary of State for Work and Pensions.

Mr Mike Hancock (Portsmouth South) (LD): I am sure that the whole House will be pleased to hear the comment about going after those who deliberately avoid paying tax—it would be interesting to know when we will hear how that will be achieved—but more importantly, the Chancellor mentioned the phrase "protection of the vulnerable" several times in his statement today. I would be interested to know how that is going to be achieved, and when he will explain to the House how the vulnerable in our society—including the very poor—will get the protection that they deserve.

Mr Osborne: Let me give my hon. Friend a specific example: disability living allowance. We were faced with a number of options, but we decided that we wanted to keep it as a universal benefit, and instead look at the criteria that allowed people to get on it and ensure that they were entitled to stay on it. We are particularly conscious of benefits on which people in vulnerable positions are dependent, but with each benefit, we are proceeding with caution, seeking as wide a consensus as possible. However, my hon. Friend has my commitment that we are doing everything that we can to protect the vulnerable during this process. I would also make a general observation: the thing that really hurts the most vulnerable in our society is when a country loses control of its public finances.

Mr Dennis Skinner (Bolsover) (Lab): Is the Chancellor really aware that as a result of these successive sadistic statements about cuts, war pensioners are ringing Members of Parliament and people who are severely disabled are frightened to death of losing their benefits? Is it not time that he had the gall to tell the truth: that this is all about using the deficit, which we had planned for, as an opportunity to carry out the Tory ideology of cutting the power of the state?

Mr Osborne: As the hon. Gentleman is now a Blairite, I thought that I would read out what his master said recently, which is relevant to what he has just said:

"I look at those policy papers now—the work on...the use of social security budgets...and I do think how different it would have been if we had done it. If we had...not wandered into a cul-de-sac of mixed messages and indecision... But there it is. It didn't happen, and that's it."

We are trying to do the things that he once promised in his election manifesto.

Margot James (Stourbridge) (Con): In his article yesterday, David Smith, the economics editor of *The Sunday Times*, reminded us that the structural deficit had averaged 2.7% since 2003 and that we inherited planned tax rises and expenditure cuts of £73 million. Given the positive reaction of the markets to his Budget of a few months ago, what does the Chancellor think would happen if he did not persist with these tough but very necessary measures?

Mr Osborne: The answer is simple: there would be a catastrophic loss of confidence in Britain and an increase in market interest rates, which would hit every business and family. That would lead to an increase in unemployment, which is why we are not prepared to take the prescription offered by at least some of the people standing for the leadership of the Labour party.

Mr Andrew Love (Edmonton) (Lab/Co-op): The Chancellor ought to read the International Monetary Fund report on that subject. The economy is slowing, business confidence and business investment are flat, and net trade is going through the floor rather than through the roof. In those circumstances, is it not folly of the first order to cut public expenditure? Is not the Chancellor threatening a double-dip recession—the very thing we do not need?

Mr Osborne: The people who are talking down the British economy are the Opposition. Since the hon. Gentleman mentioned the IMF, let me remind him what it said this weekend:

"Fiscal consolidation remains essential for strong, sustained growth over the medium term."

Matthew Hancock (West Suffolk) (Con): Since the election, the interest rates on gilts at two and three years—the kind of time periods that people borrow for their mortgages—have halved. Does the Chancellor think that that has anything to do with the new Government getting to grips with the nation's finances?

Mr Osborne: I think it does have something to do with the new Government setting out their plan, and it is easy to see why. We can compare what has happened to market interest rates for the United Kingdom with market interest rates for countries such as Spain, Portugal, Ireland and Greece. At the time of the general election, it was well understood that people in the world were

[Mr George Osborne]

concerned about the record UK budget deficit, the largest in the G20. As a result of the steps that we have taken in the Budget—which we now need to see through in the spending review—we have restored stability to the economy and helped to bring down market interest rates. That would not have happened if Labour had stayed in office.

Caroline Lucas (Brighton, Pavilion) (Green): How does the Chancellor think that slashing jobs at tax offices up and down the country will help with the collection of the £120 billion that is lost every year through tax evasion and tax avoidance in this country? What other measures does he have in mind for collecting that money, which could be saved and used to prevent these enormous cuts, which are going to hit the poorest the hardest?

Mr Osborne: As I was saying in reply to my hon. Friend the Member for Colchester (Bob Russell), we are keen to ensure that the tax gap is reduced and that Her Majesty's Revenue and Customs is an organisation that is able to collect that tax that is due to us all. Unfortunately, as has been well documented in recent days, we have inherited a whole string of problems, including 6 million people being given the wrong tax information under the previous Government. We are putting in place the measures that I believe will improve HMRC and enable it to focus on reducing that tax gap.

Dan Byles (North Warwickshire) (Con): Does the Chancellor agree with the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), who said in 1996:

"Losing control of public spending doesn't help the poor"?

Mr Osborne: It is not often that I say this, but I agree with the right hon. Member for Kirkcaldy and Cowdenbeath on that. Maybe one day he will turn up in the House of Commons and explain what he meant.

Chris Leslie (Nottingham East) (Lab/Co-op): Instead of hitting the sick and the disabled with these cuts, why does not the Chancellor tackle the bankers' welfare bill by reversing his ridiculous decision to give a £1 billion cut in corporation tax to the banks?

Mr Osborne: Over the past 13 years, Labour allowed the banking system to become completely unregulated and presided over the biggest banking crisis of our lifetime. At the time of the general election, I remember arguing in the television debates for a bank levy to be introduced in this country even if other countries did not introduce it. The then Chancellor opposed me on that. We have now introduced the levy, and I see that it has been universally accepted by the people who opposed it just a few months ago. The receipts from the levy massively outweigh any gain that comes from the lower corporation tax, and that was taken into account when I set the level of the bank levy at £2.5 billion.

Malcolm Bruce (Gordon) (LD): Why, if the previous Government were so successful in achieving economic success, did the welfare bill rise by 47%? Is it not the case that the former Chancellor of the Exchequer and Prime Minister threw prudence to the winds? Is not getting the public finances in order the best way to stop hitting the sick and the vulnerable? Should not all Members of the House work together to champion the sick and the poor, rather than scaremongering when we do not have the details?

Mr Osborne: My right hon. Friend is absolutely right. People will remember that, in the mid-1990s, a central part of the then new Labour party's claim to office was that it was going to reduce the bills for social failure. No doubt that was in all the election addresses that it delivered at the time. It did not do that, however; the welfare bill went up by 45%, and its former leaders are now telling us candidly that they completely failed. We are going to succeed where they failed.

Mrs Anne McGuire (Stirling) (Lab): I am always astonished that when Members move over to the Government side of the House, they ask for less spending on welfare than they did when they were on the Opposition side. I was visited on Friday by a severely disabled constituent who was seriously worried about her future. Why has the Chancellor promoted the legitimate debate on welfare reform by contextualising it with reference to those who abuse the system—for whom there is no support on either side of the House—thereby sowing great seeds of concern among many disabled people and their families in the UK today?

Mr Osborne: It is difficult to see how we can have a debate on out-of-work benefits and how to reform them without at least addressing the issue of some people who should perhaps be doing more to get into work. Let me stress that we are doing everything we can to make sure that the poorest and the most vulnerable are helped, while rewarding work. If the right hon. Lady or any other Labour Member wants to make a positive contribution or propose a positive plan, we will listen to it.

Priti Patel (Witham) (Con): Will the Chancellor condemn the calls for civil disobedience coming from the trade unions in the light of the necessary spending decisions that have to be made in view of the economic mess left by the last Government?

Mr Osborne: I do not think that strike action would help anyone at this point in time. Again, the people who suffer most when countries lose control of their public finances are often those working in the public sector, so I would hope that the trade unions, like everyone else in our society, will work together to sort out this national problem—and do so in the national interest.

Mr Chuka Umunna (Streatham) (Lab): The Chancellor's emergency Budget was criticised for adversely impacting on certain groups, not least women—indeed, it is subject to litigation in the courts at the moment by the Fawcett Society. With particular regard to the extra £4 billion of cuts announced by the Chancellor to the BBC last week, has he carried out an equality impact assessment of the effects of that measure?

Mr Osborne: Of course, as we prepare the comprehensive spending review, we will comply with the legislation on the statute book.

Mr Peter Bone (Wellingborough) (Con): Does the Chancellor appreciate that on the coalition Benches, there is unanimous support for his policy of shrinking the size of the state? Are we not lucky to have a Chancellor with the guts and ability to carry it out?

Mr Osborne: I thank my hon. Friend for his last remark. The state currently consumes almost half of national income and I do not think that there is a serious contender for high office on the Labour side who does not think that it needs to come down. Unfortunately, not a single proposal has been forthcoming. It is quite remarkable that this is the most contentious issue that we are debating, yet the people who aspire to lead the Labour party have absolutely nothing to say about it.

David Simpson (Upper Bann) (DUP): While there is action to be taken against those who have defrauded the benefit scheme, what are the Government doing to encourage those who are in genuine need of those benefits, and how are they going to be made available?

Mr Osborne: The hon. Gentleman would know, first, that we are creating the new Work programme, which we believe will help people currently looking for work to get the skills and support they need to get into work. It will be a far better system than the one we inherited. Then there is the broader debate, alluded to in a number of questions, about how we reform the out-of-work benefit system to reward work and give people a greater incentive to take on additional hours of work. That is absolutely central to the debate.

Stephen Barclay (North East Cambridgeshire) (Con): The recent independent report by the National Audit Office found that on the last Government's cost-reduction targets for 2010-11, only one Department had achieved even 50% of that target; that of the savings reported, only 38% could be relied upon; and that one Department had the distinction of achieving even less than 5% of its cost-reduction target. What representations has my right hon. Friend had on how to make up that shortfall?

Mr Osborne: Not many, is the answer. My hon. Friend is right to draw the House's attention to the fact that what we used to hear from the Labour Government about efficiency savings—in the press releases issued at the time of their last Budget—was all guff. Anyone who has examined whether any of the former Government's claims stack up has found that they do not. It is another part of the Labour party's fraudulent record.

Mr David Winnick (Walsall North) (Lab): Does the Chancellor really believe that the Government's proposals will not be met with the widest opposition up and down the country? The Chancellor might dismiss this comment, but the Cabinet is playing with fire.

Mr Osborne: Let me say this to the hon. Gentleman: he sat on the Government Benches year after year while the budget deficit racked up; he allowed this country to have the largest budget deficit in the developed world. We are now seeking to reduce that budget deficit. The previous Government pencilled in but never identified £44 billion of public expenditure savings. If he wants to make a serious contribution to the debate, I suggest that he propose some specific measures to deliver the plans on which he stood at the last general election.

Sajid Javid (Bromsgrove) (Con): Does my right hon. Friend have a view on why Labour Members continue to treat the entire British public like children? They spend, spend, spend, bringing our country to the verge of bankruptcy—

Mr Speaker: Order. There is much pressure on time. I remind the hon. Gentleman that he must ask a Minister about the policy of the Government, not the attitude of the Opposition. We will leave it there; the Chancellor can respond briefly if he wants, but he is under no obligation.

Mr Osborne: My hon. Friend said some very good things about how the Opposition treat the rest of the country like children.

Clive Efford (Eltham) (Lab): Formula grant for local government is about £24.5 billion, made up of just over £3 billion in revenue support grant and just over £21 billion from business rates. The cut is £6 billion, which leaves about £3 billion income from business rates that is not being redistributed in formula grant. Would not a good use of that money be the protection of the poorest and most vulnerable in our communities from the ravages of the cuts being imposed by the Government? Exactly how will businesses be accountable for what that £3 billion is used for?

Mr Osborne: As well as considering reforms to the formula grant, we took some steps earlier this year, and we hope to take further steps, to increase the freedoms that local authorities have to spend the money and to have fewer ring-fenced programmes from central Government Departments. We are looking at a review of the formula grant.

Nick Boles (Grantham and Stamford) (Con): If we do not put up VAT, do not cut defence expenditure—as the Labour party proposed during Defence questions—and do not cut the welfare bill, as the right hon. Member for Normanton, Pontefract and Castleford (Yvette Cooper) proposes, will the Chancellor confirm that the only way to have a sustainable budget is to slash spending on the NHS?

Mr Osborne: My hon. Friend is absolutely right. The Labour party has opposed the £13 billion VAT increase, even though we now know that the shadow Chancellor, Tony Blair and Peter Mandelson all supported that increase; and it has opposed some of the other measures to which my hon. Friend refers. There is a difference when it comes to the NHS: I believe it is the official policy of the Labour party that the NHS should not be protected from cuts and should not have a real increase in funding. I happen to disagree with that policy, and we will see what the public think about it.

Liz Kendall (Leicester West) (Lab): The Chair of the Treasury Committee asked the Chancellor to publish new details of the distributional impact of the Budget, including the proposed cuts to housing benefit and

[Liz Kendall]

disability living allowance. Is the Chancellor aware that the Institute for Fiscal Studies produced such an analysis last month? Is he aware that it says that

"the overall effect of the new reforms announced in the June 2010 Budget is regressive, whereas the tax and benefit reforms announced by the previous Government"

for the same period

"are progressive"?

In the light of that evidence, will he explain whether he still claims that his Budget and his Government are progressive?

Mr Speaker: Order. There were three questions there, but one answer will suffice.

Mr Osborne: I can do no better than repeat what the IFS said in the report to which the hon. Lady has referred. It said that in 2012,

"Considering all tax and benefit reforms... the richest tenth of households lose the most in both cash and percentage terms."

Claire Perry (Devizes) (Con): Does the Chancellor agree that there is nothing progressive about leaving 5 million people on out-of-work benefits—a system that condemns single women in particular to a lifetime of poverty—and that there is nothing progressive about leaving the Labour party's debts to the next generation to repay?

Mr Osborne: I can go better, and quote Lord Myners, who said:

"There is nothing progressive about a Government who consistently spend more than they can raise in taxation, and... nothing progressive that endows generations to come with the liabilities incurred by the current generation." [*Official Report, House of Lords*, 8 June 2010; Vol. 719, c. 625.]

Sir Gerald Kaufman (Manchester, Gorton) (Lab): The right hon. Gentleman says that he wishes to protect the most vulnerable. Will he intervene personally to solve the problem of a constituent of mine, who is severely epileptic, who has not received his tax credit for six weeks owing to the total inefficiency of Her Majesty's Revenue and Customs, and who has no money whatsoever—*[Interruption.]* Don't you care about this man? He has no money whatsoever, and is only able to feed his family as a result of collections from his church. The chairman of the board says that it is nothing to do with him; will the Chancellor say that it is something to do with him?

Mr Osborne: Of course I take responsibility for the tax credit system that I have inherited. We know that there are real problems with the way in which it operates, and we are trying to establish how we can reform things in general. I will, however, look urgently at the case that the right hon. Gentleman has brought to the House's attention: if he will give me the details this afternoon, I will get on to it straight away.

Jo Swinson (East Dunbartonshire) (LD): Like many Members of Parliament—although, perhaps, not as much as the hon. Member for Wellingborough (Mr Bone)—I want to see cuts in our public services. I accept that they are, sadly, necessary to deal with the huge deficit that is Labour's legacy. Does the Chancellor agree that if any party is to have credibility in criticising specific cuts, it must present a realistic alternative that does not just saddle the next generation with thousands of pounds of debt?

Mr Osborne: I entirely agree with my hon. Friend. The plethora of memoirs and interviews from people who were at the top of the Labour party until a few months ago have consistently made clear that it is not credible for the Labour party not to issue its own proposals and come up with its own ideas. As I have said, £44 billion of the cuts with which we are proceeding were pencilled in by the last Government, and they have between now and 20 October to tell us where those £44 billion of cuts would have fallen.

Miss Anne Begg (Aberdeen South) (Lab): On Saturday I attended a conference organised by the Aberdeen branch of the Disability Advisory Group. The people there were genuinely worried about the reassessment for disability living allowance and the medicalisation that has been announced. They were completely baffled, and kept asking, "Why us?" Whoever is to blame for the economic crisis, it is certainly not disabled welfare recipients. May I now ask the Chancellor, "Why them?"?

Mr Osborne: I respect the fact that the hon. Lady is the Chair of the Select Committee on Work and Pensions, but I must tell her that the number of working-age people who claim disability living allowance has risen by more than 40% in the last decade, which is a substantial increase. When I considered reforms to the allowance, I saw that it would be possible to introduce such reforms as means-testing, but I rejected those. I said that it would be fairer to introduce an up-to-date assessment to help people to receive the benefit and ensure that they were eligible for it in future. I think that that is the fair way in which to proceed with this particular benefit, because I well understand that those who receive it are some of the most vulnerable members of our society.

Charlie Elphicke (Dover) (Con): Can the Chancellor tell us whether, having bankrupted the country, the last Government left any detailed financial restraint, according to Treasury officials? This reminds me of the kids—the yobs—who smash the bus shelter and then throw stones at the people who are trying to clean up the mess. It is a disgrace.

Mr Osborne: The last Government left nothing except a letter from their Chief Secretary saying "I am sorry, but there is no money left".

Mr David Lammy (Tottenham) (Lab): Does the Chancellor recognise that most ordinary people consider a £2.5 levy for rich bankers to be grossly unfair, given that ordinary people are paying 10 times more? He can now do better with tax-dodgers. Does he expect Lord Ashcroft to pay more on 24 October?

Mr Osborne: We were the first major economy to introduce the banking levy. We were bitterly opposed in the run-up to the election by a Government, in whom I think the right hon. Gentleman was a Minister, who told us that we should not introduce the banking levy until all the other countries had done so. We took a lead

and introduced the banking levy, which will raise £2.5 billion. Since then, many other countries have followed our lead. *[Interruption.]* Opposition Members say it's nothing or a pittance. If that is the case, why did they not introduce a levy? They had 13 years to do it and they did not. The only thing they did was cut capital gains tax, which we have had to increase.

Several hon. Members *rose—*

Mr Speaker: Order. In recognition of the level of interest, I have given this question a very good run but, due to pressure of time, some people will have to be disappointed. We must now move on.

Queen's Speech (Date)

4.20 pm

Mr Denis MacShane (Rotherham) (Lab): (*Urgent Question*): To ask the Leader of the House about his proposed date for the next Queen's Speech.

The Leader of the House of Commons (Sir George Young): This morning, I issued a written ministerial statement to the House in relation to parliamentary Sessions. It set out that the Fixed-Term Parliaments Bill, which has its Second Reading this afternoon, proposes that parliamentary general elections will ordinarily take place on the first Thursday in May every five years. I decided that it was important to set out to the House at the earliest opportunity the Government's proposal that, subject to the successful passage of the Bill, it would be appropriate to move over to five 12-month Sessions over a Parliament beginning and ending in the spring.

One of the benefits of this proposal is the greater certainty it brings to the parliamentary timetable. It also has the advantage of avoiding a final Session of only a few months, when—as we saw with the last Administration—Parliament is forced to consider a lame duck legislative programme of little significance.

Under this proposal, Her Majesty's Gracious Speech on the occasion of the state opening of parliament will, in future, ordinarily take place in the spring, rather than in the autumn.

In order to ensure a smooth transition, the Government have proposed that the current Session of Parliament will run until around Easter 2012. The next state opening of Parliament will therefore take place shortly afterwards. Dependent on progress on the Fixed-Term Parliaments Bill, we envisage that the House would then move to a pattern of annual state openings in the spring, consistent with the new statutory provision for general elections to be held in the spring.

Following the announcement of the proposals this morning, the Government intend to listen intently to right hon. and hon. Members' views, particularly during the passage of the Bill, and to work with the authorities of both Houses to implement the necessary changes.

I am not able today to announce the specific date of the next Queen's Speech, as requested by the right hon. Member for Rotherham (Mr MacShane). As he well knows, the date can only be announced, as it usually is, nearer the time and only after proper consultation with the Palace. I am sure he would not want to short-circuit that process today. I intend to give the House as much notice as possible of future proposed recess dates and will issue a calendar of the future sitting days as soon as is practicable.

This is a sensible response to a Bill in the coalition Government's programme that the Opposition support. It is announced in good time and subject to parliamentary scrutiny, under the Bill that will be debated this afternoon. Today's announcement will also ensure that Parliament has adequate time in this Session to debate and scrutinise the Government's legislative programme, which, as the House will be only too aware, was something consistently denied by the last Government. Far from being an affront to Parliament, it is one way in which this Government are empowering it.

Mr MacShane: The Leader of the House is an MP's MP and by far the nicer of the two Georges in the Cabinet. But this is not Eton, we are not his fags and he should not be the Prime Minister. It cannot be acceptable that a decision to abolish next year's Queen's Speech was not made in person to the House. Will he confirm that the Government have not discussed this constitutional change with Opposition parties via the usual channels, but that instead that he made his announcement in a wholly unilateral manner? This represents a major shift of power to the Executive at the expense of the people. Time is power in this or any democratic Parliament. This constitutional change allows the Government two years to extend their legislation, unlike the normal constitutional convention that a Bill not made into law within the year falls. Yes, there are carry-over provisions, but pushing the Queen's Speech back to 2012 is a major power grab by the Executive—I would have thought that the Lib Dems, above all, would want to have something to say on this. Does the Leader of the House agree that as we will now have to wait until May 2012 for the next Queen's Speech, we have plenty of time to debate the boundary changes Bill and we no longer need to rush the alternative vote referendum Bill through in just a few days?

As *Hansard* will confirm, on 25 May, the Deputy Leader of the House—our favourite bearded Lib Dem wonder—promised that the House would be at the centre of all constitutional change. That promise was broken this morning. He, at least, should resign and become a Liberal Democrat again, and I urge the Leader of the House to withdraw the written statement, and bring it back for a full debate and a vote in the House of Commons.

Sir George Young: May I return the compliment, by saying that of the two Denis's that confront me the right hon. Gentleman is by far the nicer?

May I say to the right hon. Gentleman that I totally reject his accusations that somehow this is taking power away from people? This is a wholly sensible proposition and it is right that the House should know the Government's intentions before it begins to debate the Fixed-term Parliaments Bill—that debate follows in a few moments' time. There are opportunities to carry over at the end of one Session, which he appeared to ignore, and we have allowed ample time to debate the constitutional Bills to which he has referred. Far from this being an insult to the House, at the earliest opportunity I made a written ministerial statement to the House, and the proposals that I have referred to will be debated in respect of the Bill that the House is shortly to address.

Duncan Hames (Chippenham) (LD): What consideration did the Leader of the House give to instead bringing forward the next Queen's Speech to May 2011?

Sir George Young: If one were to do that, it simply would not give the House adequate time to debate fully the programmes announced in the last Queen's Speech.

Ms Rosie Winterton (Doncaster Central) (Lab): The Leader of the House has, in effect, announced today that the Government have abolished next year's Queen's Speech and given themselves an extra year to get through their legislation, including some very controversial Bills. As my right hon. Friend the Member for Rotherham (Mr MacShane) said, time is power. Of course any Government may expect a reasonable time in which to get their legislation through, but if they are unable to do so, that legislation must fall. Will the Leader of the House confirm that no Session of Parliament, whether in wartime or peacetime, over the past century and a half has lasted for two years?

May I, like my right hon. Friend, ask the Leader of the House to explain why he, as a Minister whose responsibility is to protect this House, chose to make such an important announcement in a written ministerial statement? His statement said that

"it would be appropriate to move towards five, 12-month, sessions over a Parliament".

So why has he not implemented that by the simple arrangement of having the first of those five Sessions finishing in May 2011? Is it that the Leader of the House wanted to protect the rights of this House but was simply overruled by those who wanted simply to protect their legislation? Is this what happens if the Leader of the House is not in the Cabinet speaking up for the rights of this House? There has been no consultation with other parties and with Parliament on this. He says that he will enable time for consultation, but his statement says that

"the Government have decided that the current session of Parliament will"

continue; it did not say that consultation will take place on this.

The Government have made much of their "new politics" and of giving away power from the Executive to Parliament. So why is one of their first acts to give the Executive huge power by extending the time in which to get their legislation through? Does the Leader of the House not see that this is, in effect, an abuse of power? Will he, as my right hon. Friend asked him to do, withdraw his plans, consult Parliament properly and come back with proposals that respect Parliament and respect our democracy?

Sir George Young: If we were to do what the right hon. Lady has just proposed and were to end this Session in May next year, we would have to guillotine all the Bills in the programme, and I suspect she would be the first to object if we were to rush the programme through on that timetable. Secondly, I laid a written ministerial statement before the House; I did not make this announcement on the "Today" programme, which is something that we grew used to in the last Parliament. I think the right hon. Lady should welcome the extra time that is now being given to this year's legislative programme, which contains some serious Bills and which will now get enough time to be debated.

May I also just remind the right hon. Lady and other Front-Bench Members of what they did when they came into office in 1997? Without any consultation or discussion, they told the House they were changing the frequency of Prime Minister's questions from twice a week to once a week. We should contrast that with the 18-months' notice I have given of this proposal, which is also subject to the passage of a Bill.

Mrs Eleanor Laing (Epping Forest) (Con): Is the Leader of the House encouraged by the synthetic anger of Opposition Members, who have had 13 years of

losing control of Government business, guillotining Bills and not giving anything like enough time to consider important business? Will the Leader of the House confirm that when we come to the Committee stage of the Fixed-term Parliaments Bill, which we are about to discuss on Second Reading, the House will be able to examine the proposals he has just made in greater detail, thereby ensuring that the right balance between the Government and the House is maintained?

Sir George Young: I am grateful to my hon. Friend for her support, and she is right to point out that there will be more time to debate important constitutional reform under this Government than there was under the last one. Her point about raising this matter during the passage of that Bill is also a good one, and it was heard by both the Ministers who will be responsible for the Bill's passage and the Members who will be speaking on its Second Reading. I know that they will want to address the concerns she has just mentioned.

Mr Graham Allen (Nottingham North) (Lab): May I welcome what the right hon. Gentleman calls "the greater certainty" this proposal "brings to the parliamentary timetable", but object on behalf of my Select Committee, which was elected by all Members of this House to scrutinise such matters? We have had two weeks to scrutinise the AV and parliamentary boundaries Bill, one week to scrutinise the Fixed-term Parliaments Bill and now, it appears, at best one week to look at this proposal announced today. Will the Leader of the House stick to his word in writing to the Liaison Committee, and give every Bill that comes before the House 12 weeks of pre-legislative scrutiny? That way, the House will be able to do exactly what it should do: make sure we get better laws from this place.

Sir George Young: I am grateful to the hon. Gentleman for the support, albeit a little qualified, in his opening sentence. He has raised this issue with me before, and I say to him that the Government are grateful to his Select Committee for the work it has been able to do on those two Bills, which were published on 22 July, and whose Committee stage will be taken in, I think, October. I hope that will give the Select Committee some headroom in which to conduct an examination, which I know the House will find worth while. I hope he also understands that in the first Session of a new Parliament it is not possible to publish as many Bills in draft as it is in the later years of a Parliament.

Mr Don Foster (Bath) (LD): Can my right hon. Friend tell the House what will be the implications for private Members' Bills?

Sir George Young: My hon. Friend asks a good question. Clearly the announcement I have made will have consequences, and we will need to discuss with the House the allocation of Back-Bench days for the Backbench Business Committee and the allocation of days for private Members' Bills.

Mr Nigel Dodds (Belfast North) (DUP): While the Government have been innovative in introducing so much constitutional change at breakneck speed, most of it not in the manifesto of either party in government, will the Leader of the House care to be more innovative on the idea of consensus building and seeking consultation with other parties more widely, and on, for a change, seeking to involve other parties represented in the House before decisions are made or proposals brought forward that involve major changes to the parliamentary system and our constitution?

Sir George Young: I am grateful to the right hon. Gentleman for making that point. My view is that if a Government have a serious policy proposal, they should share it with the House. That is what I have done by publishing a written ministerial statement. I have also made it clear that it is subject to the passage of legislation. That legislation will be subject to scrutiny by the House, when the right hon. Gentleman will have the opportunity to make his points in Committee.

Peter Bottomley (Worthing West) (Con): Is it not clear that if the previous Government or an Opposition party had put forward a proposal to have four—or possibly even five under this new system—Queen's Speeches in a Parliament they would have been able to knock away any criticisms on the grounds that it would help Parliament to give consideration to the business in front of us, especially in its first year, when some progressive and even radical Bills need serious scrutiny both here and in the other place?

Sir George Young: I am grateful to my hon. Friend. As I said, I was surprised that the right hon. Member for Doncaster Central (Ms Winterton) did not welcome the extra time that would now be available to scrutinise the legislation in the current Queen's Speech.

Paul Flynn (Newport West) (Lab): Does the Leader of the House agree that dividing Parliament into five segments is an anachronism, irrational and in fact wastes a huge amount of money? It also acts as an obstruction to good government. It costs millions to cover the time of the police and military when we open Parliament each year. Although the Government are probably doing the right deed for the wrong reason, does he not appreciate that this will be a great help for the next Labour Government when it is elected in 2015?

Sir George Young: I am not sure that I followed the hon. Gentleman's logic. As I understand it, he wants no Queen's Speeches at all, whereas those on his Front Bench want one more than is currently proposed. How they square the circle, I am not quite sure.

Mr Peter Bone (Wellingborough) (Con): May I congratulate the Leader of the House, first, on making this written statement to the House of Commons and not leaking it in advance? That is a great benefit for the House.

On the subject of private Members' Bills, 13 days are allocated and Standing Orders imply that that should be for each year. We must address that now. We already have an extended Session without an extension in the number of days and if we are going to go through an extra extension, we really must have more days.

Sir George Young: My hon. Friend makes a good point. There are consequentials, as I have just indicated to my hon. Friend the Member for Bath (Mr Foster). It would be logical to increase the number of days allocated to private Members' Bills.

Chris Bryant (Rhondda) (Lab): I shall let the Leader of the House into a secret: when we were in government, we did not introduce perfect legislation all the time. Just about the only thing that managed to make us drop particular bits of Bills or individual clauses or bring in and support amendments was the fact that we might lose the whole Bill because the end of the Session was coming along. In all honesty, I think that although it might be absolutely right to have proper annual Sessions when we go over to a fixed-term Parliament, having one two-year Session is a problem and he ought to reconsider.

Sir George Young: I am grateful for the admission at the beginning of the hon. Gentleman's remarks that the last Government did not get everything right. One mistake we are determined not to make is that of giving inadequate time to the House of Commons to debate serious Bills. We are proposing more days in the current Session in order to give longer time for the consideration of the Bills that we have introduced. He also totally overlooked the provision, which all Governments have if they find that they are reaching the problems that he has just outlined, of carrying over Bills.

Gordon Birtwistle (Burnley) (LD): Is not this change just a logical consequence of the move to a fixed-term Parliament beginning and ending in spring?

Sir George Young: Yes.

Point of Order

4.38 pm

Mr William Cash (Stone) (Con): On a point of order, Mr Speaker. I want to raise the question of the written ministerial statement laid at 11.35 am today by the Minister for Europe regarding the proposed Bill requiring any proposed future treaties and amendments to be referred to a referendum. The problem is simply that the statement has not been accompanied by any pre-legislative scrutiny as regards a Bill with which we are going to be provided and it dodges the issue of the transfer of powers under the Lisbon treaty as well as the majority of voting arrangements and co-decision. May I invite you to consider allowing the House to hear an oral statement from the Minister so that we are in a position to ask him questions about this extremely important constitutional proposal?

Mr Speaker: I am grateful to the hon. Gentleman for his point of order. He is a seasoned campaigner in the House and first entered Parliament 26 years ago, so he will know very well that the decision on whether a statement should be written or oral is not a matter for the Chair but a matter for the Government. However, the hon. Gentleman's words will have been heard very clearly by those on the Treasury Bench. In addition, the hon. Gentleman's new position as Chairman of the European Scrutiny Committee, on which I congratulate him, will afford him an unrivalled opportunity further to explore these important matters.

Fixed-term Parliaments Bill

[Relevant document: The Second Report of the Political and Constitutional Reform Committee, on the Fixed-term Parliaments Bill, HC 436.]

Second Reading

The Deputy Prime Minister (Mr Nick Clegg): I have it in command from Her Majesty the Queen to acquaint the House that Her Majesty, having been informed of the purport of the Bill, has consented to place her prerogative, so far as it is affected by the Bill, at the disposal of Parliament for the purposes of the Bill.

Mr Speaker: I am grateful to the Deputy Prime Minister and I invite him to introduce the measure and address the House.

4.40 pm

The Deputy Prime Minister: I beg to move, That the Bill be now read a Second time.

I should like to thank the Select Committee on Political and Constitutional Reform, under the chairmanship of the hon. Member for Nottingham North (Mr Allen), for its report on the Bill. The Committee has raised a number of important issues in its report that I shall seek to address one by one in my comments today.

The Bill has a single, clear purpose: to introduce fixed-term Parliaments to the United Kingdom to remove the right of a Prime Minister to seek the Dissolution of Parliament for pure political gain. This simple constitutional innovation will none the less have a profound effect because for the first time in our history the timing of general elections will not be a plaything of Governments. There will be no more feverish speculation over the date of the next election, distracting politicians from getting on with running the country. Instead everyone will know how long a Parliament can be expected to last, bringing much greater stability to our political system. Crucially, if, for some reason, there is a need for Parliament to dissolve early, that will be up to the House of Commons to decide. Everyone knows the damage that is done when a Prime Minister dithers and hesitates over the election date, keeping the country guessing. We were subjected to that pantomime in 2007. All that happens is that the political parties end up in perpetual campaign mode, making it very difficult for Parliament to function effectively. The only way to stop that ever happening again is by the reforms contained in the Bill.

As we hammer out the detail of these reforms, I hope that we are all able to keep sight of the considerable consensus that already exists on the introduction of fixed-term Parliaments. They were in my party's manifesto, they have been in Labour party manifestos since 1992, and although this was not an explicit Conservative election pledge, the Conservative manifesto did include a commitment to making the use of the royal prerogative subject to greater democratic control, ensuring that Parliament is properly involved in all big, national decisions—and there are few as big as the lifetime of Parliament and the frequency of general elections.

Mr Christopher Chope (Christchurch) (Con): Does the right hon. Gentleman recall that during the general election campaign the present Prime Minister said he thought it was desirable that were there to be a change of Prime Minister during the course of a Parliament there should be a general election within six months? Where has that proposal gone to?

The Deputy Prime Minister: I do of course recollect what my right hon. Friend the Prime Minister said during the general election campaign. What he said has been improved upon and superseded by this Bill. *[Laughter.]* Hon. Members may laugh, but it has been improved upon because it gives the House the right to decide whether it wants to dissolve Parliament for any reason that it wishes. If the House decides that it does not want to continue to express confidence in a Government when a Prime Minister has changed, the Bill will give it the right to dissolve Parliament and trigger a general election.

Mr David Hamilton (Midlothian) (Lab): Will the right hon. Gentleman give way?

The Deputy Prime Minister: Let me make a little more progress.

Although I understand that some hon. Members have expressed unease at the speed with which we are advancing, let us remember that we are not starting from square one. People have been debating the length of Parliaments since the 17th century and all the parties now agree on the principle of fixed terms.

Mr William Cash (Stone) (Con): In advancing his rather remarkable theory about improving the powers of Parliament, can the Deputy Prime Minister give an assurance—indeed a guarantee—that in order to ensure that Parliament as a whole could properly make a decision on any such motion, there would be a guaranteed free vote on it?

The Deputy Prime Minister: The hon. Gentleman is a great expert in expressing his views regardless of what the Whips say. Whipping is of course a matter for the parties. I question his suggestion that there is something unorthodox or unwelcome about giving the House more power. We have a Prime Minister who is the first in history to relinquish the right to set the date of the general election. Surely the hon. Gentleman, who has always fought so valiantly for the rights of the House, welcomes that shift of power from the Executive to the legislature.

Sir Peter Tapsell (Louth and Horncastle) (Con): The right hon. Gentleman has just made a statement that the Prime Minister has made on a number of occasions—that he is giving away a power that no previous Prime Minister has chosen to do. Why do the right hon. Gentleman and our Prime Minister think that they are wiser than their 40 predecessors?

The Deputy Prime Minister: As I said, the virtues of a fixed-term—*[Interruption.]* It is not a question of wisdom; it is a question of the weight of history. We have been talking about this for decades, the Labour party campaigned on it, as did other parties, and at a time when we are trying to restore people's confidence in politics after the expenses scandals, one of the essential ingredients is to strengthen the rights of the House at the cost of the excessive powers of the Executive.

Several hon. Members *rose*—

The Deputy Prime Minister: I want to make a little headway on the detail of the Bill.

The Bill makes provision for the next parliamentary general election to be held on 7 May 2015.

Pete Wishart (Perth and North Perthshire) (SNP): Was the right hon. Gentleman aware of anything else happening in May 2015? National elections perhaps? Did he consider them and reject them? Why is he holding an election on the same day as the elections for the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly?

The Deputy Prime Minister: If the hon. Gentleman can be patient, I will turn to that issue as it is a legitimate one. We had a debate last week about the coincidence of the date of the referendum being the same as that of the elections for the devolved Assemblies, but, as I shall acknowledge later, if he can hold on, I recognise that concerns about the coincidence of two parliamentary elections are qualitatively different and need to be examined further.

Each subsequent parliamentary general election after 7 May 2015 will be expected to occur on the first Thursday in May every five years, dovetailing with new arrangements that will see parliamentary Sessions run from spring to spring from 2012, as we have just heard from my right hon. Friend the Leader of the House.

Mr Jack Straw (Blackburn) (Lab): On parliamentary Sessions, the right hon. Gentleman heard his right hon. Friend the Leader of the House say that there would be opportunities during debates on this Bill to debate his announced decision this morning in respect of abolishing one Queen's Speech and having a two-year Session, until May 2012. Will the Deputy Prime Minister explain how those debates on the proposals made by the Leader of the House will arise during the Bill, because there is absolutely nothing in it that relates to them? To facilitate such provision, will the Deputy Prime Minister ensure, if necessary, that the Government move new clauses providing for the dates of Prorogation and the Queen's Speech so that we can have those debates?

The Deputy Prime Minister: As the right hon. Gentleman knows, that is not a legislative matter so such provisions would not be necessary. As I am sure he will acknowledge, these matters are linked. If we adopt this legislation on fixed-term Parliaments, which I understand he supports—unless he has changed his mind—it will have a knock-on effect: we need to align the Sessions of this Parliament to the new fixed-term provisions. Instead of hyperventilating about the abolition of a Queen's Speech, I hope the right hon. Gentleman will recognise that all we are doing is introducing a one-off, transitional arrangement so that those two facts are aligned.

Mr Straw: Of course I understand why it is being done, but there is a lot of objection, and not just from the Opposition, to having a Session lasting two years. That has not happened for the last 150 years and it has implications for the power of the House. As the *Official Report* will show, the Leader of the House told the House just a few minutes ago that there would be opportunities to debate his proposal under this Bill. Could we know how that will arise?

The Deputy Prime Minister: The right hon. Gentleman is already doing it, so I am sure that there will be more opportunities for him and his colleagues to do so in Committee. I would like to point out a fact to him. The extension of this Session will last in practice for five months. It is a one-off, transitional arrangement to make sure that we have reliable annual Sessions from spring to spring, in keeping with the fixed-term Parliament provisions that we have introduced in the Bill.

John Hemming (Birmingham, Yardley) (LD): May I remind my right hon. Friend of the comments by the hon. Member for Newport West (Paul Flynn), who said that the whole issue of whether we should have a Queen's Speech every year or every two years—and in fact, whether we should divide Parliaments into segments—should be considered? The hon. Member for Nottingham North (Mr Allen) has argued that we should not put that in the Bill, because it needs to be considered by the Select Committee on Political and Constitutional Reform.

The Deputy Prime Minister: It is not in the Bill, but it is a consequence of it. If we have fixed-term Parliaments, we need to revisit the way in which Sessions are organised.

We must retain flexibility on an exceptional basis, allowing us to deal with unexpected crises or conditions that make it necessary to move the election—for example, a repeat of the foot and mouth crisis, which led to the postponement of elections in 2001. In such circumstances, the Prime Minister will, by affirmative order, be able to vary the date of Westminster elections by up to two months, either before or after the scheduled date. Such a move will require the consent of both Houses, thereby preventing this power from being abused in a partisan manner.

Mr Bernard Jenkin (Harwich and North Essex) (Con): May I put it to my right hon. Friend that these proposals, whatever the merits of fixed-term Parliaments—personally, I do not support those proposals—smack of gerrymandering the constitution in favour of a particular coalition? That is definitely a bad thing. It is a subjective judgment to suggest that this is giving power to Parliament, as it can be argued that it is taking it away from it. Does this not smack of constitution making on the hoof? What we need is a proper constitutional convention to consider such a major change to our constitution.

The Deputy Prime Minister: I do not agree that this is an innovation made on the hoof, as it has been discussed for decades. I am disappointed that my hon. Friend does not recognise that taking a power away from the Executive after years in which they have been too dominant in relation to the legislature is a step in the right direction, providing more powers to Parliament that do not exist at present. It is also fully in keeping with democratic practice in many other democracies.

Mrs Anne McGuire (Stirling) (Lab): I am astonished by the Deputy Prime Minister's comment that he would build flexibility into the legislation so that if something such as foot and mouth occurs, changes can be made. Is that not giving back to the Prime Minister the prerogative to call an election, although the right hon. Gentleman is attempting to take that prerogative away from him? Surely it was a political decision not to hold the election in May 2001, not a constitutional one.

The Deputy Prime Minister: With respect, the right hon. Lady is reading too much into something that is a perfectly practical, common-sense solution to what happens if, in exceptional circumstances, as we saw in 2001, the election simply cannot be held on a proposed date.

Mrs McGuire *indicated dissent.*

The Deputy Prime Minister: Well, the right hon. Lady shakes her head, but she would not have liked elections to be held in the middle of the foot and mouth crisis. We need to respond to such things. The decision would be made by affirmative order, so the House of Lords, too, would have a say, preventing the politicisation of that decision.

Several hon. Members *rose—*

The Deputy Prime Minister: I should like to make progress before giving way again.

Some hon. Members have asked, quite reasonably, why Parliaments will run for five years, not four. That is one of the issues that has been raised by the Political and Constitutional Reform Committee in its report. Let me explain: five years is the current maximum length for which our legislation provides. Five years is the length of Parliaments in France, Italy, and South Africa, among others, and it is the maximum length of Parliament in India. In the United Kingdom, three of the past five Parliaments have run for five years. Leaving aside the very short Parliaments, half of all Parliaments since the war have run for more than four years, so five years is both in keeping with our current arrangements, and has international precedent.

Chris Bryant (Rhondda) (Lab): But if the right hon. Gentleman is to give us all the statistics, he must add that since 1832 the average peacetime length of a Parliament has been three years and eight months—nowhere near five years, which has been pretty exceptional across that time. On the international comparisons, none of the other countries that he mentioned has the same structure with the Executive coming out of Parliament, so ours is a very different system. I urge him to look again at four years.

The Deputy Prime Minister: I am not entirely sure whether that last assertion is correct. The hon. Gentleman wants to give the House a history lesson, so perhaps I may refer him to the Parliament Act 1911, which introduced the current five-year maximum. The then Prime Minister, Herbert Asquith, told the House that five years would

"probably amount in practice to an actual legislative working term of four years"—[*Official Report*, 21 February 1911; Vol. 21, c. 1749.]

That is a quote that I picked up from the Committee's report, rightly pointing out that when a Parliament is expected to last for only four years, as is now the case, it very often ends up, in effect, a three-year Parliament. So our view is that by fixing the cycle at five years, we help to mitigate—*[Interruption.]* The hon. Gentleman says that that is a ridiculous decision. He knows as well as anybody else that for 12 or 18 months before an election is held, work in the House is blighted by all the parties politicking in advance of polling day. Therefore, if we want Governments to govern for the long term, we think five years is the right period of time.

Several hon. Members *rose—*

The Deputy Prime Minister: I should like to make some headway on the next issue—

Mr Straw: The right hon. Gentleman mentions the Second Reading speech by Herbert Asquith in February 1911. I am very grateful to the House of Commons Library for drawing this to our attention. I have the full speech. The right hon. Gentleman cannot use that quotation to justify something that was never the sense that Asquith was putting across. What Asquith was suggesting was that Parliaments within the five-year bracket would normally last from beginning to end for four years. That was the Liberal party policy as late as 2007. Why is it not now?

The Deputy Prime Minister: I will not compete with Herbert Asquith as well as with the right hon. Gentleman. The wording, as I said, makes it clear that he was pointing out something that we all know: that politics becomes consumed by electioneering in the run-up to a general election, and that therefore, if we have a five-year fixed term, as we are advocating in the Bill, in reality the Government of the day have at least four years to govern for the benefit of the country.

Mr David Hamilton: I will go back not 100 years, but 10 years. Have the Government considered the other three nations of this country, which have decided on a four-year period? Surely four years fits, so that there will not be a conflict in the future. The current term should be either four years, or six years, moving back to a four-year cycle, otherwise there will be a conflict that is insurmountable.

The Deputy Prime Minister: As I said earlier, I recognise that there is an issue there, as the hon. Gentleman says. That coincidence of UK elections to the House and devolved elections will occur every 20 years. If he will allow me, I will return to the issue in greater detail in a while.

The date of the next election specifically—

Mr George Howarth (Knowsley) (Lab) *rose—*

The Deputy Prime Minister: I should like to make some headway. The date of the next election, Thursday 7 May 2015, has also raised some questions, as Holyrood, the Welsh Assembly and Stormont will all be holding their own elections on the same day. The issue of combining polls came up last week when we were debating the decision to hold a referendum on 5 May next year, as that referendum will coincide with elections in Scotland, Northern Ireland and Wales.

Let me be clear. We believe that holding a referendum on the same day as a parliamentary or Assembly election is entirely justifiable. It allows us to avoid asking people to traipse back and forth to the ballot box, it is an uncomplicated event in which people are simply being asked to say yes or no to the referendum question, so it avoids any confusion or overlap with the elections to the devolved Assemblies, and of course it will save money. However, as I said, I accept that holding elections to different Parliaments or Assemblies on the same day is altogether more complex—

Mr Jenkin: Why?

The Deputy Prime Minister: I shall explain. It is not a simple yes or no choice to a referendum question, but raises a host of questions about how people are governed at the UK-wide and devolved level by different parties and different politicians. With elections to the devolved legislatures every four years and to Westminster every five years, such a situation would occur every two decades. With the next occurrence in five years, we have time to plan for it, but we need to give the issue proper further thought. There is already scope in legislation to vary the dates of elections to devolved legislatures, and the Government are now actively considering whether those powers are sufficient. We have not yet reached a conclusion—we will be very interested to hear the views of others—but if we decide that further powers are needed, we will put forward proposals for an alternative.

Iain Stewart (Milton Keynes South) (Con): With the Prime Minister having the power, subject to resolutions of both Houses, to vary the date of the general election, would a condition for varying that date be the date of a devolved Assembly election, and would it be for Westminster or the devolved Assembly to make the variation?

The Deputy Prime Minister: As I explained earlier, the purpose of that exceptional power is to deal with exceptional circumstances, such as the foot and mouth crisis in 2001, so that is not the intention. What I have just tried to explain is that there will be an issue, once every 20 years, with the coincidence of elections to this House and to devolved Assemblies. The devolved Assemblies, as I said, have powers to adjust that date, and we are considering whether those powers are sufficient to deal with this. *[Interruption.]* There is a lot of harrumphing from the hon. Member for Dwyfor Meirionnydd (Mr Llwyd). I am trying to be very open and to acknowledge that there is an issue that people understandably feel strongly about in Cardiff, Edinburgh and elsewhere, and we want to work with him and others to find a solution.

Mr Elfyn Llwyd (Dwyfor Meirionnydd) (PC): Surely it is not in the interests of this Government or anybody else to have two major elections within four weeks. That is the point, because there is a leeway of only four weeks within the devolved Administrations.

The Deputy Prime Minister: That is exactly what we need to look at, and it is exactly why we need to consider whether the existing provisions are sufficient. The hon. Gentleman implies that they are not.

Maria Eagle (Garston and Halewood) (Lab) *rose—*

The Deputy Prime Minister: I would like to make progress. I have given way plenty.

Maria Eagle *rose—*

The Deputy Prime Minister: Okay.

Maria Eagle: I am grateful to the right hon. Gentleman for giving way on this point. Is he saying that the problem occurred to the Government after the Bill was drafted? If it had occurred before the Bill had been drafted, surely some provision should already be in the Bill, but he will have to bring forward some new provision.

The Deputy Prime Minister: As I was seeking to explain, our approach is first to acknowledge that there is a legitimate issue—*[Interruption.]* If the hon. Lady could just listen to me, she may find satisfaction in the explanation. We believe that the answer to that does not necessarily lie in this Bill, but in the powers enjoyed by the devolved Assemblies in Holyrood and in Cardiff. That seems to us to be the right way to proceed.

I note today that the Electoral Commission has highlighted that an extension to the electoral timetable would support participation by overseas and service voters, and support the effective administration of elections. The Government are considering this issue and I have already indicated to the commission that we think there is a great deal of merit in exploring the potential for a change to the timetable. As the commission said in its statement today, the matter requires a thorough review to ensure that any change is coherent with the arrangements for elections across the piece. We will set out our proposals and the timetable once that review is complete.

I want now to focus on the issue of early Dissolution. The Government of course recognise the possibility of exceptional circumstances that would make it appropriate for Parliament to dissolve before completing its full term. Currently, the House of Commons may vote—by a simple majority—to say that it has lost confidence in the Government, and there is a wide expectation that this will result in Dissolution. That is an important convention, which will be not just unaffected by the Bill but strengthened, a point that I will come to in more detail shortly.

Mr George Howarth: I am grateful to the right hon. Gentleman for eventually giving way. If the measure is genuinely a transfer of power from the Executive to the legislature, can he explain the reason for clause 2(1)(c)?

The Deputy Prime Minister: The right hon. Gentleman may be referring to the continuation of the existing powers to prorogue Parliament, which will remain in place, particularly after the House has been dissolved for exceptional reasons. In addition, the Bill provides for a new power for the House of Commons to dissolve Parliament early by means of a motion, passed by a majority of two thirds of the total number of seats in this House, which states that an early general election should take place. This new power ensures that Parliament will be able to dissolve itself in any eventuality, regardless of whether the reasons relate to the merits or failings of the Government of the day.

As you will be aware, Mr Deputy Speaker, these votes have already been the subject of considerable discussion. I shall therefore take a little time to explain to the House exactly how they will work. First, on the new power of early Dissolution, the defining principle of this Bill is that no Government should be able to dissolve Parliament for their own political advantage. So as I said, in order to secure a Dissolution motion, a vote will need to be passed by a majority of two thirds of MPs— the same threshold that is required in the Scottish Parliament and the Welsh Assembly. Hon. Members will remember that originally the coalition

proposed a threshold of 55%. That was not found to be satisfactory by many Members of this House, who feared that it would not provide a sure enough guarantee against a Government with a large majority triggering an election for partisan gain. We listened to those arguments and we agreed that the bar should be raised. At two thirds, we have settled on a majority that no post-war Government would have been able to achieve. It will be possible only if agreement is secured across party lines, thereby preventing any one party or the Executive from abusing this mechanism.

On powers of no confidence, no-confidence votes have until now been a matter of convention.

Sir Peter Tapsell: Before my right hon. Friend moves on to his next point, can he explain why, when he is putting forward a Bill of the most enormous constitutional importance, almost revolutionary in concept, there is not a single Conservative Cabinet Minister on the Front Bench to support him?

The Deputy Prime Minister: I am sure that they have other things which they need to attend to.

As I said, no-confidence votes have until now been a matter of convention. Although it has been widely accepted that a no-confidence vote would require a Prime Minister either to resign or to call an early election, there has been nothing to date to enforce this. So for the first time, the Bill gives legal effect to a motion of no confidence passed by this House. Such motions will continue to require only a simple majority.

Mr Robert Buckland (South Swindon) (Con): Does my right hon. Friend agree that it is imperative that the courts do not end up determining issues arising from Dissolution, and is he satisfied that the Bill as drafted ensures that that awful nightmare will never happen?

The Deputy Prime Minister: I am absolutely confident of that. I will shortly explain why in further detail, because that possibility was raised in a memorandum by the Clerk of the House to the Political and Constitutional Reform Committee.

Such motions of no confidence will continue to require only a simple majority. Following the passing of a no-confidence motion, there will be a period of 14 days during which a Government may seek to gain the confidence of the House. If, during the 14-day period, a Government emerge who can command the confidence of the House, then they will be free to govern for the remainder of the five-year term. We believe that a period of 14 days strikes the right balance, allowing enough time for an alternative Government to be formed while ensuring that there is not a prolonged period without an effective Government.

Mr Laurence Robertson (Tewkesbury) (Con): Earlier, the right hon. Gentleman said that this was partly about restoring the public's confidence in Parliament, but is it not correct that we could witness a change of Government without there being a general election, which surely will not satisfy the public?

The Deputy Prime Minister: The point of this change is that if the House no longer has confidence in the Government of the day it can pass a vote of no confidence under existing provisions, but legally enforced, and that any new Government who then try to reconstitute themselves would have to enjoy the confidence of this House—and therefore also, by extension, the confidence of the people we all represent in our constituencies, until the end date of the fixed-term Parliament comes around.

Mr Peter Bone (Wellingborough) (Con): At the moment, the situation is that if there is a vote of no confidence, the Queen will decide whether Parliament is dissolved, and she then has the right to look for an alternative Government. Why do we need to mess around with the constitution, changing something that seems to work very well?

The Deputy Prime Minister: We are seeking to strengthen and reinforce the powers of this House. The motion of no confidence will be passed by this House, and it will be up to this House to decide whether any subsequent Government constituted within a very short period of time—within two weeks—deserve to continue to be supported by this House. If Members of the House do not wish to provide that support to that Government, the House can say no. That seems to me to be strengthening the powers of the House.

Mr Richard Shepherd (Aldridge-Brownhills) (Con): I am obliged to the Deputy Prime Minister. Will not all we have in those 14 days just be an auction of offices and promises and the usual making of a Government? *[Interruption.]* No, I did not mean it in that sense.

In Gibbon's "Decline and Fall of the Roman Empire", a succession of Caesars were bought and sold by the praetorian guard. Is that what this constitutional reform programme amounts to?

The Deputy Prime Minister: I really think that my hon. Friend is reading too much into the provision. The existing arrangements on votes of no confidence are fairly similar to what we are proposing. First, the vote will be precisely as it is now—50% plus one. Secondly, a new Government can be asked to be formed after that vote of no confidence.

Mr Shepherd: But we have an election.

The Deputy Prime Minister: No, not necessarily; that is not an automatic consequence of the existing provisions. We are giving the House a new power, passed by two thirds, that would force an early election and the Dissolution of the House.

Mark Durkan (Foyle) (SDLP) *rose*

Mrs McGuire *rose*

The Deputy Prime Minister: I would like to make some progress.

In the event of an early Dissolution, under whatever circumstances, the decision will be confirmed by the issuing of a Speaker's certificate, meaning that there will be no ambiguity about whether the House had voted for a Dissolution with the requisite majority or whether a vote of no confidence in the Government should trigger a Dissolution. It will also mean that

[The Deputy Prime Minister]

procedures of the House will determine whether the triggers are satisfied, rather than that being in the hands of either the Executive or the courts.

As I said earlier, I know that the Clerk of the House of Commons has expressed concerns about these arrangements in a memorandum to the Political and Constitutional Reform Committee. The memorandum suggests that the courts may be able to intervene in parliamentary business. The suggestion is that we would therefore be better off implementing the changes through Standing Orders rather than primary legislation. I would like to reassure the House that the Government have looked into the issue in considerable detail. We are satisfied that the provisions in the Bill will not allow the courts to question the House's internal affairs.

The Minister for political and constitutional reform, the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), has placed in the Libraries of the House a paper setting out our views. Briefly, we are satisfied that the courts will continue to regard matters certified by the Speaker as relating to proceedings in Parliament and therefore falling under the protection of article 9 of the Bill of Rights. The memorandum refers to the legal challenge in 2005 to the Hunting Act 2004 as authority that courts will interfere in parliamentary proceedings. However, that case was concerned with the validity of the Parliament Act, not the internal proceedings of Parliament.

Mr Jenkin *rose—*

Mr Cash *rose—*

The Deputy Prime Minister: I shall finish what I am saying about this detailed and involved point.

During that case, the House of Lords reiterated that courts cannot interfere in those proceedings, so far from leading us to believe that courts may intervene under the provisions of the Bill—

Mr Straw: On a point of order, Mr Deputy Speaker. Will you confirm that, as "Erskine May" makes very clear, when a Minister seeks to quote in detail from a document, it must be laid on the Table of the House?

Mr Deputy Speaker (Mr Nigel Evans): I understand that "Erskine May" states that, but how much detail has just been given is open to debate. I call Mr Clegg.

The Deputy Prime Minister: I hope that the right hon. Gentleman will acknowledge that I have merely referred in passing to a court case, which, as I said, confirms that courts will not involve themselves in internal parliamentary proceedings.

The Bill explicitly confirms that the Speaker's certificate

"is conclusive for all purposes."

So the decision is for the Speaker, not the courts or the Executive.

Mr Cash: Will the Deputy Prime Minister give way?

The Deputy Prime Minister: Not yet, as I suspect the hon. Gentleman might want to raise the point that I am about to mention.

It is also a power that falls totally outside the remit of the European courts. On that note, I give way.

Mr Cash: It was not that point at all. I assure the Deputy Prime Minister that I am very much more concerned about our domestic arrangements in this House in this respect.

The Clerk of the House, a very distinguished expert and our pre-eminent expert in the House on matters of procedure, was quite clear in his evidence. Does the Deputy Prime Minister not find it, to say the least, a little curious—even bizarre—that he should be using this opportunity to repudiate the views of the Clerk of the House of Commons about a matter of vital constitutional importance, without our having had the opportunity to see the counter-evidence? In addition, does doing that in this way not undermine the integrity and standing of the Clerk of the House?

The Deputy Prime Minister: First, it is worth acknowledging, as the Chair of the Committee would do, that many other distinguished experts and academics in this field explicitly demurred from the analysis provided by the Clerk when the evidence was provided to the Committee recently. Secondly, the Clerk's memorandum was provided to the Committee and it is therefore available to everyone in the House to examine for themselves. Thirdly, we have today placed in the Library of the House a letter from the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean, that sets out in detail our reasoned views. I do not think that this is a question of scientific doctrine. It is a matter of some significant judgment, and our judgment, based on important precedent, is that there is nothing in the Bill that will invite the courts to intervene in the internal proceedings of the House.

Mr Cash: This is a very important constitutional question. The Deputy Prime Minister has just implied that there could well be a dispute. The letter—which I have not yet had an opportunity to see—itself disputes the view of the Clerk of the House. Will the Deputy Prime Minister not concede that this matter could well be referred to the courts, even if he and his Government take the view that it could not, and that their view does not preclude the courts from intervening in certain circumstances? This is his view, and the view of the letter writer, but it is not necessarily the view of the courts.

The Deputy Prime Minister: As I have said, it is not only our view in the Government; it is also the view of a number of very distinguished constitutional experts who gave evidence to the Committee on this very point just a short while ago. As I was seeking to point out, we have looked at the court case on the Hunting Act 2005 specifically cited in the memorandum from the Clerk, and found that it arrives at exactly the opposite conclusion.

Mr Graham Allen (Nottingham North) (Lab) *rose—*

The Deputy Prime Minister: Perhaps the Chairman can help us on this point.

Mr Allen: In the very limited time that we had to look at this matter, the Clerk was the only person to raise this question, and the academics who have been referred

to—Professor Hazell, Professor Blackburn and others—completely disagreed with the view put forward by the Clerk. This is simply a question of whether the power exists in statute law or in Standing Orders. I should like to quote from the Committee's report, in which we said:

"It would be a pity if the Executive gave up the power to call an election at a time of its own choosing only for the legislature to hand it back by a simple suspension of Standing Orders to that same end."

In other words, we all know that the Standing Orders of the House can be suspended at any moment on the whim of the Executive. It would be a shame, were the Executive finally to give up that power, for us simply to hand it back again.

The Deputy Prime Minister: I am grateful for that clarification. I strongly agree with the hon. Gentleman, and we agree with the Committee's conclusions on this point. Given the constitutional significance of the Bill, which has been underlined by many Members during the debate, it would be inappropriate for those significant constitutional provisions to be translated into Standing Orders. They need to find their way into primary legislation, and into law.

In the event of an early Dissolution, and an early general election, the new Parliament will run until the first Thursday in May in the fifth year of its existence, unless, of course, it too is subject to early Dissolution. Questions have been asked about whether the new Parliament should run for the full time, or whether its life should be limited to whatever period its predecessor had left on the clock. Our view is that resetting that clock is a more sensible proposition. That is the arrangement that will be most natural to voters; people do not expect to elect a Parliament knowing that it will last only a short time. When they hand a Government a majority, they are giving them a mandate to govern for up to five years.

Mr Jenkin: I am grateful to the right hon. Gentleman for giving way. He is being assiduous, and the House appreciates that. I put it to him bluntly, however, that the Bill takes away from a simple majority in the House the right to cause a general election and puts into the hands of, perhaps, himself leading a minority party the ability to withdraw his support from one party and give it to another in order to form an Administration, without the risk of a general election. Is that really fair?

The Deputy Prime Minister: First, that is precisely the position now, as the hon. Gentleman knows. Secondly, he is viewing the Bill through a prism of—how can I put it?—suspicion, which really is not justified. It gives new powers to the House, and I hope that he will come to that view himself as it is examined on the Floor of the House, as it should be. The Bill is giving new powers to the House in addition to the powers of no confidence that do not already exist, which we are also strengthening in turn.

Mr Edward Leigh (Gainsborough) (Con): Will the Deputy Prime Minister confirm that if, God forbid, our friends and Liberals were to walk away from the coalition and if the Bill were passed, there is no doubt that our Prime Minister could call an immediate election? Is there any doubt about that?

The Deputy Prime Minister: The Bill speaks for itself. With respect, this is genuinely not about the internal dynamics of this coalition Government. *[Interruption.]* I hear from the groans and the roars that that view is not widely shared. I hope that anyone who has listened to what I have said today will reasonably conclude that the Government are doing something that should be welcomed in this House—strengthening its powers, while weakening those of the Executive. We are surrendering the Prime Minister's right to set the date of the general election—a power that has been used and abused and has become the plaything of Prime Ministers of all parties for far too long.

Mark Durkan: Is the Deputy Prime Minister not being somewhat disingenuous in stressing that the Dissolution of Parliament is a spectacular new power to be given to this House, when just a few moments ago he stressed that the very high threshold for that power would make it virtually impossible to attain?

The Deputy Prime Minister: What I was trying to explain was that the existing powers to pass a motion of no confidence will not only remain exactly as they are, but be given legal force so that they will be strengthened. In addition, to cover any exceptional circumstances that might arise, we are giving the House new powers—I stress that this is a new power, which currently does not exist—to dissolve Parliament altogether and trigger a general election. The only institution whose power is being seriously curtailed by the Bill is that of the Prime Minister.

This Bill is modest in size—it has just five clauses and one schedule. Clause 1 relates to polling days for parliamentary general elections, including the setting of the date of the next election on 7 May 2015, and sets out the five-year term. Clause 2 provides for the circumstances in which an early parliamentary general election can be held. Clause 3 makes the key necessary changes to electoral law and the law concerning the meeting of Parliament in the light of fixed days for elections. Clause 4 deals with certain supplementary and consequential matters—preserving the Queen's power to prorogue Parliament. Clause 5 sets out the short title of the Bill and provides that it will come into force on Royal Assent. The schedule contains consequential amendments to a number of Acts of Parliament. In contrast to the previous Government, who aggressively programmed their Bills, we propose not to curtail debate on each clause, but to allow two full days on the Floor of the House for Committee stage.

Paul Uppal (Wolverhampton South West) (Con): Is the Deputy Prime Minister mindful of unintended consequences? One aspect of fixed-term Parliaments and fixed terms in general elections is that costs are often associated. Campaigning often starts earlier—in North America, for example, where there are seats for the Senate, the House of Congress and presidential seats. General elections and primary elections start very early, so perhaps an unintended consequence of the Bill could be additional costs for campaigning, not to mention apathy among the general public.

The Deputy Prime Minister: I would argue that the real cost is incurred by all of us when we are constantly on tenterhooks about whether or not the Prime Minister

[The Deputy Prime Minister]

of the day is going to call a general election. That is precisely what happened in 2007. At the last general election, we all promised the voters that we would seek to provide stable, good and strong government not constantly hijacked by the ducking and weaving of the Executive trying to second-guess what people are thinking and trying to choose a date in the political calendar to suit their own ends. That is what the Bill delivers, and it seems to me that, in one way or another, we all promised that to the voters at the last general election.

Clearly, there are strong views across the House on the best way to implement fixed-term Parliaments, but everyone can surely now acknowledge that the Prime Minister has, through this Bill, become the first Prime Minister in British history to agree to relinquish his power to trigger elections.

Gavin Shuker (Luton South) (Lab/Co-op) *rose*—

The Deputy Prime Minister: I want to finish now.

That is a hugely important break with the past, and exemplifies the reformist spirit at the heart of our new politics. Let me finish by reminding hon. Members that although we might disagree on some of the detail of the Bill, we are united on the principle that underpins it. Fixed-term Parliaments constitute a major transfer of power away from the Executive and a major strengthening of Parliament's authority over its own lifetime. The Bill is a major step towards the more legitimate, stable political system that we have all promised to the British people.

5.25 pm

Mr Jack Straw (Blackburn) (Lab): The Labour party manifesto contained a commitment to legislate for fixed-term Parliaments, as did that of the Liberal Democrats, as we have heard. The Conservative party manifesto included no such commitment whatever, and as the hon. Member for Christchurch (Mr Chope) reminded the House at the beginning of the Deputy Prime Minister's speech, the proposition from the then Leader of the Opposition, now Prime Minister, was directly contradictory to that contained in the Bill. His proposition was that, were there a change of Prime Minister during a Parliament, that change should trigger a general election within six months of the new Prime Minister taking over. As a direct consequence of the Bill, that solemn commitment at the general election has been not just bypassed but wholly contradicted.

I am quite sure that the process that led to the Bill, following the general election, was entirely one of cerebration and consideration of the balance of the intellectual arguments—

Mr Jenkin: Of course.

Mr Straw: I note the hon. Gentleman's comments from a sedentary position, and he is often right about these matters. I am quite certain that the process had absolutely nothing whatever to do with horse trading about a deal.

Robert Flello (Stoke-on-Trent South) (Lab): Of course not.

Mr Straw: Of course not. That kind of thing might go on in Stoke-on-Trent, but certainly not in Witney and the prosperous bit of Sheffield.

Whatever the provenance, the Bill is proof that Conservative Members made a Pauline conversion on the issue—

Maria Eagle: Some of them.

Mr Straw: From a sedentary position, again, my hon. Friend prompts me to correct myself: Conservative Members in the Government have made a Pauline conversion, although it is palpable from today's debate that, unlike St Paul, they have taken few voluntary converts with them.

If the Government and the House get the Bill right, it will be a positive innovation for our democracy. I do not share the Deputy Prime Minister's hyperbole, but I certainly share his belief that it is a step forward, not a step back. We intend to work constructively to deliver what would be a significant constitutional change. For that reason, we will not divide the House tonight. However, let us be clear from the outset: the Bill as currently drafted does not stand up to scrutiny, even the limited scrutiny that the Government have permitted the House to date. The Bill will need substantial revision if we are to be able to support it on Third Reading, as we had wished to do.

The introduction of fixed-term Parliaments is intended to strengthen Parliament and fetter the Executive, and to make the political process more legitimate in the eyes of the public by reassuring them that the date of elections can no longer be at the whim of the Prime Minister. We have heard a lot about the power of the Prime Minister. Having known one or two Prime Ministers, I think that many Prime Ministers and potential Prime Ministers would rather not have the right and power to call a general election, as it has a brutal logic: if they win, they have made the most positive decision of their life; if they lose, they are almost always out of office, too.

Mr Jenkin: Can we take it that the right hon. Gentleman has also reached a completely dispassionate judgment, and that his decision to allow the Bill a Second Reading is in no way coloured by the possibility that his party will end up in government without a general election if it is passed?

Mr Straw: Funnily enough, I had not thought of that. Perhaps I should have. It is not that I am innocent of such considerations, but on this occasion it had not occurred to me.

The Bill does botch the job, however. It provides for a standard Parliament to be too long, at five years. It fails to clarify the procedures for confidence votes, opening up the possibility of a lame-duck Administration and constitutional limbo. It leaves a large loophole enabling Prime Ministers to use the prerogative power to prorogue Parliament, as happened recently in Canada. The mechanism for triggering an early Dissolution of Parliament may impinge—I put it no more strongly than that—on parliamentary privilege by creating the risk that courts could intervene on parliamentary proceedings.

Much of the incoherence of the Bill is a consequence of the unnecessary haste with which it is being rushed through Parliament. A week ago, the House debated

the Second Reading of the Parliamentary Voting System and Constituencies Bill. That too is being rushed through, with the Deputy Prime Minister breaking all previous undertakings about the importance of pre-legislative scrutiny.

If Members accept the imperative of a May 2011 date for the alternative-vote referendum—although I do not—at least the right hon. Gentleman has a fig leaf of an excuse for seeking to rush that Bill through at this early stage, but palpably no such excuse exists for rushing this Bill through. Had there been any justification, such as a packed legislative programme which might have hit the end-of-Session buffers, that excuse would have been blown away this morning by the ill-thought-through announcement by the Leader of the House that the current Session is to last for two full years.

Mr George Howarth: I am grateful to my right hon. Friend, in all his newly proclaimed virginal innocence, for giving way. Does he not believe that this Bill and the other Bill to which he has referred are in some way linked?

Mr Straw: Let me say first, for the avoidance of doubt, that I have made no protestations of virginal innocence, and would never seek to do so.

The two Bills are certainly not cognate, but they are linked in the sense that they are the price that the Conservative party agreed to pay in order to stitch together this very curious coalition. I am glad, in saying that, to receive the approbation of many right hon. and hon. Members on the Government Benches. In any event, the idea that this Bill had to be bashed through very quickly was blown away by this morning's announcement.

Mr Shepherd: Given that the right hon. Gentleman is giving us a catalogue of what is wrong with the Bill and what is difficult about it, how can he vote in favour of the principle of the Bill as drafted and lying in front of the House of Commons, rather than voting against it as a matter of principle? It does not strike me as amenable to satisfactory changes in Committee, even if the good will of the Government were there for the purpose. Why is the right hon. Gentleman not standing by that principle, and demonstrating that this is an unsatisfactorily prepared Bill?

Mr Straw: It is an unsatisfactorily prepared Bill—on that the hon. Gentleman and I are in absolute agreement—but we may be in disagreement on the principle of the Bill. I have done many things from the Front Benches in 30 years to seek to justify difficult positions and have emerged upright at the other end, but with a commitment as clear as daylight in our manifesto—of blessed memory and only five months old—that said, in terms, that the Labour party would introduce legislation for fixed Parliaments, it would have been a bit tricky for me to have come to the House and opposed the Bill. *[Interruption.]* The Deputy Leader of the House may say that that did not worry me a week ago. But it did. *[Laughter.]*

There is a serious point. Had the subject of this Bill been tied up with a proposition with which we wholly disagreed—as with the Parliamentary Voting System and Constituencies Bill, where the Government could and should have separated the alternative vote and boundaries issues—that would have been different. As I explained to the House this time last week, I would have been delighted to vote in favour of the Bill if all that it contained was part 1. The Deputy Prime Minister knows better than me why he has decided to put alongside that proposition—one that was broadly agreed—an entirely separate and unrelated proposition wholly to change the agreed and consensual way in which we have set boundaries in this country for many years, a manner last amended by this House not under Labour, but under the Conservatives.

Sir Peter Tapsell: May I put to the right hon. Gentleman an historical example of how the Bill would have created great problems in the past? In 1950, the Labour party won the general election with—if my memory is correct—an overall parliamentary majority of seven. That entitled a Labour Government to stay in power for five years. They were never defeated on a motion of confidence in that Parliament, but by 1951, Mr Attlee, a great statesman, felt that his Cabinet colleagues were exhausted and that it was against the national interest for the Labour Government to struggle on with a majority of only seven. He decided to ask the King for a Dissolution. He would not have been able to do so under the provisions of the Bill.

Mr Straw: With great respect, I anticipate that he would have been able to do so. I am not seeking to justify in detail what is in the Bill, but let us take that as a possibility. That was an unusual circumstance: Attlee and his colleagues, the senior ones of whom had been in office for more than 11 years and all the way through the Churchill coalition Government, were completely exhausted. Some were dying; others had already passed away. Attlee was right to say that there should be a Dissolution. Under the terms of the Bill, he would have put that to the House. I cannot see that the Conservative party would have opposed it; it would have been astonishing if it had, since it thought that it was going to win. In that situation, the likelihood would be that the resolution of the House would have easily exceeded the two-thirds threshold. As a matter of historical record, that has to be the case.

Mrs McGuire: My right hon. Friend is quite right in saying that we accept the principle of fixed-term Parliaments, but I do not want to lose his earlier comment that he would review that situation on Third Reading if some of this dog's dinner of a Bill were not tidied up between then and now. Will he reiterate the commitment that we will reconsider our position on Third Reading if we do not get some satisfactory changes?

Mr Straw: I am delighted to do that, and I put that absolutely on the record.

Mr George Howarth: My right hon. Friend said a few moments ago that one reason why he felt inclined to give this Bill its Second Reading is a commitment made in the Labour party manifesto. Perhaps it would help if I reminded him of what we actually said in our manifesto. We said that we would have the following:

"Legislation to ensure Parliaments sit for a fixed term and an All Party Commission to chart a course to a Written Constitution."

At least two elements which would make the Bill conform with that commitment are missing.

Mr Straw: If I may say so, the "and" is disjunctive, not conjunctive—and I know that because I drafted that piece of the manifesto.

I simply do not understand why—and we have heard no serious explanation as to why—the Government are bolting it. This morning, the Leader of the House gave us a further example when he announced a decision—not a proposal; it had been decided, and that was the word he used—that this Session should last for two years. He then tried to excuse that, having run into something of a squall in the House, by saying—we can check this against the record—that it was a "proposition" that could be further considered in this Bill. I hope that the Deputy Prime Minister will examine closely what the Leader of the House said about commitments for debate on that aspect of a consequence of this Bill.

Robert Flello: Does my right hon. Friend agree that not having an opportunity in Committee to discuss that matter should also be a potential trigger for voting against the Bill on Third Reading?

Mr Straw: Yes, I accept that. It will not be a pre-emptive decision for me to take, but one that will be taken in the usual way by the shadow Cabinet as a whole and the parliamentary party.

I am sure that my hon. Friend the Member for Nottingham North (Mr Allen) will make his own point about this next matter when he addresses the House. He chairs the Select Committee on Political and Constitutional Reform, which is an all-party Committee with, I believe, a Conservative majority. It has been very clear about what he has described as:

"The severe lack of time which the Committee has had to scrutinise this...Bill".

He continued by saying that this

"is not only frustrating but very disappointing."

Martin Horwood (Cheltenham) (LD): The right hon. Gentleman is scrabbling for excuses to oppose the Bill on the grounds that it is being rushed. Is there not a risk that if we did not rush it we might end up in the embarrassing situation of a supporter of fixed-term Parliaments who had been 13 years in government but never got round to introducing that?

Mr Straw: I have simply explained to the House, while the hon. Gentleman has been sitting there, that we are not opposing the Bill tonight and the reason is that we agree with the principle of fixed-term Parliaments. What I disagree with is the manner in which it has been introduced. I also disagree with some very important detail, part of which needs to be amended, not least to bring it into line with Liberal Democrat policy. I will explain that, because one of the consequences of their going into this coalition has been the complete amnesia that has affected the whole of the Liberal Democrats' policy.

Iain Stewart *rose*—

Mr Straw: As it is to a Conservative, I shall give way.

Iain Stewart: Will the right hon. Gentleman concede that it is important to introduce this measure early so that we can give the country and the business community certainty that this Parliament will last five years? We will, thus, avoid the nonsense that we had in the summer and early autumn of 2007, when the whole country had no idea whether or not it was going to the polls.

Mr Straw: We need to do it in the next couple of years, but we do not need to do it now. If the Leader of the House were true to his word, he would at least have allowed for the 12 weeks' pre-legislative scrutiny that his Government promised would normally take place for Bills.

Mr Allen: Does my right hon. Friend agree that were the Political and Constitutional Reform Committee to have been given 12 weeks—I think that we have done an incredible job in two days, producing this report—many of the wrinkles that everyone concedes are in the Bill could have been smoked out? We could have heard from a lot of expert witnesses and we would have proposed ways in which a principle that appears to have the support of the whole House could have found consensus, as opposed to becoming a cause for bitterness and division.

Mr Straw: I accept that entirely. Constitutional legislation is always complicated and we should always seek consensus on it. I have to say—I believe Members know this—that I can think of plenty of occasions when I brought forward constitutional legislation and then had to take it away again. With the single, terrible exception of the European Parliamentary Elections Bill—for which I have already abjectly apologised as it was a dreadful piece of legislation—I have always both provided sufficient time and quite often changed proposed legislation addressing this complicated territory in the light of what was said in this House or the other place in Committee and the Chamber.

To consider why we have ended up in this situation, we have to return to a point made by the hon. Member for Harwich and North Essex (Mr Jenkin) in an intervention on the Deputy Prime Minister. The hon. Gentleman echoed a comment made last week by the right hon. Member for Haltemprice and Howden (Mr Davis), who said of the Parliamentary Voting System and Constituencies Bill that people might have more respect for the Government if they admitted that it was about party advantage. There would have been greater respect for the Government over the timing and abject drafting of the Bill before us if the Deputy Prime Minister had said, "Yes, we brought this forward—and the Prime Minister has stood on his head on this—because we did a deal for a variety of reasons which I shall explain. That is the price the Prime Minister paid for this bit of the deal, and we are rushing it through for internal reasons." The hon. Member for Harwich and North Essex was absolutely right to say—he can correct me if I get a single preposition in the wrong place—that the Bill smacks of gerrymandering the constitution in favour of the coalition, which is what I heard him say, and that it was legislation on the hoof. That is true. The Deputy Prime Minister should have taken his time and invited the other parties into discussion, sought the advice of the Liaison Committee and others, and come forward with a much better proposition.

Nick Boles (Grantham and Stamford) (Con) *rose*—

Mark Durkan *rose*—

Mr Straw: If I may first make a little more progress, I will then give way to both hon. Gentlemen.

The irony will not be lost on the House that had the previous Labour Administration acted in such a fashion, Members of the current Government parties would rightly have expressed outrage, and Liberal Democrat Members would have done so in unbearably sanctimonious and pious terms. Everybody knows that to be the case.

Professor Robert Hazell of University College London's constitution unit has said:

"The legislation could still be introduced with cross-party support, if the government is willing to take it slowly. That is what the government is seeking to do with reform of the House of Lords"—

I commend the Government's approach on that—

"It should adopt the same approach with this Bill."

Notwithstanding the fact that the Bill has now been introduced, my very strong advice to the Deputy Prime Minister is that he should take a long time before bringing it back before the House so that the Select Committee can have a look at it. If he wants examples of Bills just sitting around for some time while Ministers have repented at leisure of mistakes they and their colleagues have made and regrouped to bring back something better, I will provide him with them.

As we know, the Bill's primary purpose is not high-minded; the hon. Member for Harwich and North Essex was correct about that. Its effect may be welcome, but its primary purpose is to serve as a form of constitutional handcuffs to prevent either of the coalition parties from assassinating the other. This is, indeed, a partnership characterised by paranoia.

Nick Boles: The right hon. Gentleman criticises my right hon. Friend the Deputy Prime Minister for not giving time for consultation, yet even before the Bill was published he had taken on board concerns expressed on both sides of the House about a specific provision relating to early Dissolution and radically changed his proposal. It seems to me that he is listening much more intently than the right hon. Gentleman ever did when he was proposing constitutional reforms.

Mr Straw: I was just checking with my hon. Friend the Member for Garston and Halewood (Maria Eagle) whether the hon. Member for Grantham and Stamford (Nick Boles) was a Conservative or a Liberal Democrat, because I was very confused after this morning's pamphlet, but I gather from my hon. Friend that he is both. I am going to buy and distribute copies of his pamphlet in all Liberal wards—there are none in my constituency, but there are some in the borough. I shall dish out copies of the pamphlet in the borough, because one of my views about this coalition is that it made every bit of sense for the Conservative party and was total madness for the Liberal Democrats. With a little luck, the Liberal Democrats will go the same way as their predecessor party did in the early 1920s as a result of exactly the same process.

The reason why the hon. Gentleman's right hon. Friend the Deputy Prime Minister had to change from the abjectly partisan proposal of 55% was that it was too obvious, since they had 56% of the votes. They must have thought that we were all stupid. He had to change that before he introduced the Bill because he would not have had a dog's chance of getting a Second Reading had that ridiculous and outrageous proposal remained. It was survival that led to the change, not high principle.

Mark Durkan: My right hon. Friend rightly touches on many of the concerns about the timing of the Bill, given the fairly scrappy nature of some of its proposals. Is the timing not really related to the fact that the Parliamentary Voting System and Constituencies Bill, which we discussed last week, and the Bill that we are discussing this week were the Liberal Democrats' two glittering prizes in the coalition agreement, and they want to go to their party conference saying that they have already achieved the Second Reading of both those Bills? That is why we are being put through this today.

Mr Straw: I am quite sure. I was in favour of September sittings and my hon. Friend will recall that they had to be abandoned one year so that the screen in the Chamber could be put up. When I tabled a motion the following year as Leader of the House to reinstate September sittings I was roundly voted down by an all-party alliance, including many Conservative Members. Both parties in the coalition are probably now regretting this September sitting, because it has done them absolutely no good. Long may that continue.

Mr Leigh: Will the right hon. Gentleman give way?

Mr Straw: Of course, and then I need to come on to one or two reasons why I think that the Bill needs to be changed.

Mr Leigh: The right hon. Gentleman is being very unfair to our Liberal friends. Does he share my understanding that, if there were a crisis and the Liberals had to walk out of the coalition, the Conservative Prime Minister would be prevented from calling an election if the Bill had become law? If the Liberals were then to offer to join a coalition with the right hon. Gentleman, would he embrace them tenderly?

Mr Straw: I am not going to get into too many hypotheticals, but it is a matter of public record that, speaking personally, I was not too keen on the embrace when it was offered on or about 8 May. The hon. Gentleman might wish to take some comfort from that for the future. Aside from anything else, he should do the arithmetic as to whether there could be some stability from such a coalition.

As others want to speak, let me come to the crucial issue of whether the fixed term should be five years or four years. Most constitutional experts are agreed that four years is a more appropriate fixed term and would better reflect the constitutional position, historical practice and comparisons with other Parliaments. Professor Robert Blackburn has said:

"In the UK, there can be little doubt that the period between general elections should be four years...It was the period expressly approved of as being normal in practice, when the Parliament Act set the period of five years as the maximum."

Alec Shelbrooke (Elmet and Rothwell) (Con): Will the right hon. Gentleman give way?

Mr Straw: If the hon. Gentleman will first allow me to make this point, I shall give way.

The Library alerted me to what Asquith said in February 1911, and so I asked for the whole of the speech, which I have here. As the information from the

[Mr Straw]

Library and Blackburn both show, Asquith was talking about the idea that a Parliament would normally last for four years. There is not a word in Asquith's opening speech on the Second Reading of the Parliament Bill along the lines that the right hon. Gentleman who is now leader of the Liberal Democrats tried to tell us that there was. He should not busk on these points. Asquith said that the Act would lead to a normal length of four years and that was what he meant. Overall, as my hon. Friend the Member for Rhondda (Chris Bryant) has pointed out, that has been the average length of a Parliament.

Lorely Burt (Solihull) (LD): Will the right hon. Gentleman give way?

Mr Straw: May I finish this point, and then I shall of course give way? Indeed, the hon. Lady might wish to answer a question that I am about to pose to her right hon. Friend the Deputy Prime Minister.

Alongside the position adopted by a former Liberal Prime Minister—the last but one, it must be said, and look what happened to him and to his successor, although we need not detain the House on either of their fates—I want to refer to recent Liberal Democrat policy. I know that that apparently does not matter, but if the roles were reversed and if, just three years ago, the Labour party had said that there should be fixed Parliaments that should last four years, we would soon hear something about that from those on the Liberal Democrat Benches. We would hear suggestions that we were selling out and standing on our heads and that we did not know what we were talking about, and would be asked what was the point of making commitments—especially as simple a commitment as that—simply to tear them up. However, that was the Liberal Democrat position. They published a position paper—I am happy to take an intervention from the Deputy Prime Minister on this point—called "For the People, By the People", which said that the term should be four years and not five. Let me gild that lily: David Howarth, the excellent former Member for Cambridge, introduced a ten-minute Bill to the sounds of cheering from the Liberal Democrat Benches that set a term of four years and not five. He made very good arguments that were absolutely right.

I am glad that the Deputy Prime Minister has at long last spotted that coinciding the date of a general election with that of national elections in Scotland and Wales is crazy and he is about to seek to go through hoops by which the people of Scotland and Wales and the political parties that are an essential part of the process—

Pete Wishart: Will the right hon. Gentleman give way?

Mr Straw: I shall in a second. Those people and parties would be burdened with two successive elections with substantial and understandable arguments about which should come first and which should come second. That could directly affect the outcome.

Dr William McCrea (South Antrim) (DUP) *rose*—

Mr Straw: I shall give way in a second.

The answer to all that is to go for four-year Parliaments. Among many others things, if we set a four-year Parliament this one would finish in 2014 and could never clash with the four-year cycle of the Scottish and Welsh Parliaments.

Pete Wishart: Will the right hon. Gentleman give way on that point?

Mr Straw: I will give way to the hon. Gentleman, but I promised the hon. Member for Solihull (Lorely Burt) that I would give way to her first. I shall then give way both to him and the hon. Member for South Antrim (Dr McCrea).

Lorely Burt: I am grateful to the right hon. Gentleman. Between the two sides this evening, we are having an interesting history lesson. Perhaps I might point him towards a more recent piece of history: the passage of the Political Parties and Elections Act 2009, which covers the regulations for election campaign spending and also refers to five-year Parliaments. That Act was supported by many of our colleagues who are now on the Opposition Benches.

Mr Straw: I do not know whether the hon. Lady was in the House at the time, but I was responsible for that Bill, which emerged from cross-party negotiation. It was an agreed measure. As for the reference to five years, we were not setting the length of a Parliament in the Bill. We were accepting that as a fact and then determining how we dealt with party funding within that frame. There was no commitment whatever in principle in favour of five years rather than four.

Pete Wishart: The right hon. Gentleman is absolutely correct and spot-on in his views on five-year fixed-term Parliaments. I know that it is not my job as a Scottish National party Member to give the Labour party further reasons to vote against Third Reading, but will he guarantee to me that if there is no change in the date and if these elections are to clash, the Labour party will oppose the Bill?

Mr Straw: First, I cannot make that offer, not least because it is almost certain that it will not be me standing on the Front Bench, for reasons that the House knows. Although I keep saying that I will leave the Front Bench—and I have probably never been busier as a Front Bencher—it is my intention to do so. Secondly, it would be a matter for the shadow Cabinet and the parliamentary party even if I were to lead on this issue. As I have said to my other hon. Friends, we would weigh all these matters and come to a view.

Dr McCrea: I am sure that the people of Wales and Scotland will be very touched that they have been remembered by both the Deputy Prime Minister and the right hon. Gentleman. Perhaps when he is thinking about the elections he could remember Northern Ireland as well.

Mr Straw: Of course I do, and I accept the admonition.

Alec Shelbrooke: I have listened to the right hon. Gentleman's arguments. I am a newly elected Member, and I have spent a great number of years as a prospective parliamentary candidate wondering when the election

would be. All I hear from him now is excuses why we should have Parliaments of four years, although it suited his Government rather well to have Parliaments of five years. Is this just about trying to get an election as quickly as possible?

Mr Straw: I have long been in favour of fixed terms. I could dig out correspondence I had with Margaret Thatcher in 1983 about fixed terms. The Labour party committed itself to fixed terms in the 1992 election. What typically happens—this is why I welcome the measure and why I wanted that commitment in our manifesto—is that parties in opposition that are in favour of fixed terms go off the boil on them when they come into government. As someone who was a PPC on a number of occasions before coming an MP, I know that the speculation is difficult. It is important to have some certainty and that is why we are not opposing the Bill on Second Reading. I hope that the Deputy Prime Minister will use the time available to get things right, not least on whether terms should be for four years or five.

Mrs Eleanor Laing (Epping Forest) (Con): Is not the coincidence of elections in different parts of the country just a problem of our having too many tiers of government? Would not it be better if we simplified the whole thing and did not have so many tiers of government? Then this problem would not arise.

Mr Straw: I do not think that the hon. Lady is proposing the abolition of the Scottish Parliament and the Welsh Assembly.

Mrs Laing *indicated assent.*

Mr Straw: Oh, she is—okay. I shall ensure that the Prime Minister is made aware of her views. Obviously, this is her job application for the position of Secretary of State for Scotland, as she hails from there. I am certainly in favour of abolishing one tier of government where there is two-tier local government, which does not work. Thanks to a wise Conservative decision in 1995, Blackburn and Darwen have greatly benefited from being outwith the clutches of Lancashire county council and the two-tier system. However, that is not Conservative party policy, nor is it in the Bill.

On Prorogation, as my right hon. Friend the Member for Knowsley (Mr Howarth) has pointed out, clause 4(1) expressly states:

"This Act does not affect Her Majesty's power to prorogue Parliament."

Hon. and right hon. Members on both sides might not particularly have considered this, but it is perfectly possible for a Prime Minister who faces the prospect of a defeat on a motion of no confidence and who does not want an early general election, which would otherwise arise on a simple majority, to seek a Prorogation of the House. That is not idle speculation, because that is exactly what happened in 2008 in Canada.

In Canada, there are fixed terms, by law, of four years, but there are also procedures for early elections, as all fixed-term Parliaments have, if a Government lose confidence. The crisis in Canada arose because there had been an agreed all-party deal on substantially enhanced state funding for the political parties in return for draconian controls on donations and spending. Stephen Harper, the Prime Minister, in justifying all that against an austerity budget, decided to abandon the commitment and arbitrarily and unilaterally to reduce the amounts to be given to the other parties and his opponents. They cried foul and there was a crisis. When there was about to be a motion of no confidence against him, which almost certainly would have been won, he went to the Governor-General, in the seat of Her Majesty, and got a Prorogation so that Parliament would be suspended for quite a long time. The Prorogation was accepted and he subsequently sought, but was not successful, a further Prorogation. Given that the Bill is making significant changes, clause 4(1) has to be changed to ensure that the Bill does affect the right of Her Majesty to prorogue the House.

Jacob Rees-Mogg (North East Somerset) (Con): Will the right hon. Gentleman confirm that the ability to prorogue would also be useful to a Prime Minister who wanted an early general election? They could prorogue the House for a fortnight, preventing an alternative Government from being formed and leading straight to a general election.

Mr Straw: The hon. Gentleman is absolutely right. People say that such things will never happen, but I am sure that Stephen Harper is an honourable man—as honourable as any British Prime Minister. When senior politicians are up against it and are fighting for their life, they will clutch at any lawful provision, and it would be lawful to do that, so this issue must be considered.

Mr George Howarth: My right hon. Friend referred to my intervention on the Deputy Prime Minister as being about clause 2(1)(c), which I said in terms it was about, but the Deputy Prime Minister is so knowledgeable about this five-clause Bill that he confused it with clause 4(1), so my right hon. Friend is right about the answer but wrong about the question.

Mr Straw: I acknowledge the point that my right hon. Friend makes.

I want now to deal with the privilege of the House, which was much aired in the evidence that the Clerk gave the other day to the Political and Constitutional Reform Committee chaired by my hon. Friend the Member for Nottingham North. This issue has echoes of our debate 15 months ago about the Parliamentary Standards Bill. I recall that when I introduced the Bill there was a huge harrumph about the degree to which Parliament's privilege would be being affected by its provisions. There was such a huge harrumph that the Government were defeated on those provisions and had to go back to the drawing board, so I have thought about this matter.

I would not dream of asking the Deputy Prime Minister to confirm this, but I dare say that the advice that he has received about the implications of this Bill are from similar sources to those from which I received advice on the 2009 Bill. I understand that the arguments are often finely balanced. I have certainly given similar undertakings to that given by him about the very long odds on the courts intervening, but this House and the other place are both highly sensitive to interventions by

[Mr Straw]

the courts on the privilege of the House. The hunting decision can be used in both ways: the actual decision of the courts, in respect of the Parliament Acts, was not to overturn a decision of this House, but the very fact that they entertained the argument was worrying. I ask him to think very carefully about that.

Mr Geoffrey Cox (Torridge and West Devon) (Con): Can the right hon. Gentleman think of any other statute in respect of which the courts have declined at least to entertain an arguable interpretation?

Mr Straw: No, and that is the point. The courts will decline to entertain arguments, and actions, about what happens in the House, because they are banned from doing so; their job is to interpret legislation. The Government are inherently more vulnerable—I do not say that I share the view of the Clerk that they are very vulnerable—because they can get past the first base.

Mr Cash: As the right hon. Gentleman probably knows, I was very active on questions about the privileges of the House in relation to the Bill he just mentioned. Just now, the Chair of the Political and Constitutional Reform Committee implied that the views of the Clerk had effectively been overridden by the views of other experts. I have looked carefully at the evidence, and it is clear that the Clerk gave his view on 7 September whereas the main evidence, from all the other experts, was given on 21 August; in other words, the Clerk of the House of Commons—a distinguished expert and very knowledgeable about the House—gave his evidence in the light of the evidence that had already been given, save only for the oral evidence given by Professor Blackburn. The Committee did not ask Professor Blackburn specifically whether he repudiated the views of the Clerk of the House, so it seems to me—I hope the right hon. Gentleman agrees—that the matter remains very open and that both the Clerk and Professor Blackburn agree that there should have been a draft Bill for pre-legislative scrutiny. In those circumstances, the evidence is overwhelming that the scrutiny should be properly done.

Mr Straw: On the hon. Gentleman's first point, it would have been difficult for me not to notice that he had taken an interest in privilege in relation to the Parliamentary Standards Bill, as he was scarcely ever not on his feet complaining about something or other that I was doing from the Treasury Bench. The Clerk was absolutely right to raise the issue and in the end we got through it. We were genuinely up against the clock with that measure, because the leaders of all three main parties had agreed both a timetable and broad outline contents.

In this case, I am not coming down on one side or the other, but the issue is sufficiently worrying that we need to take our time.

Mr Jenkin *rose*—

Mr Straw: Many Members want to speak, and as I have spoken at some length I want to conclude.

Legislation for fixed-term Parliaments is a desirable objective and it could be achieved on a cross-party basis, but that requires the Government to go back to the drawing board and respond to the valid criticisms that have been made about the Bill. We want to play our part in helping them to do that and, as I said, we shall not oppose Second Reading, but we want considerable revisions, which require more time and considerably greater opportunity for scrutiny. It also—if I may say so—requires the Deputy Prime Minister in particular to adopt a more measured, considered and consultative approach than has been evident to date. I fully accept that the House's not knowing about the note on privilege was an error and in no sense intentional, but I have to say that it is very aggravating and does not improve the environment in which the House receives such measures. I hope that we can see a different approach from Ministers. Although most Members support the principle, a huge amount of detail has to be got right before there is any chance of the legislation becoming law.

6.14 pm

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): I am grateful for the opportunity to make my first formal contribution to the debates of the House. As many right hon. and hon. Members are aware, Sir Michael Lord, the previous Member for Central Suffolk and North Ipswich, and a long-standing Deputy Speaker, was gravely unwell during the summer, and I felt it inappropriate to make my maiden speech while he was so ill. Members will be pleased to know that he is now making a good recovery and I am sure they will join me in passing our best wishes to Sir Michael for his continued recovery and for his retirement.

Sir Michael Lord was first elected for the then constituency of Central Suffolk in 1983. He was appointed Parliamentary Private Secretary to the right hon. John MacGregor in Margaret Thatcher's Government and then, as many Members are aware, for 13 years, he served with great distinction, alongside Sir Alan Haselhurst, as a Deputy Speaker. In Central Suffolk and North Ipswich, Sir Michael will be remembered as a hard-working and diligent constituency MP.

The constituency of Central Suffolk and North Ipswich was created in 1997 from the then Central Suffolk constituency, taking in wards from what was then Suffolk Coastal and the northern wards of the Ipswich constituency. It is a constituency of great diversity. Central Suffolk boasts agriculture and a growing tourist trade. I am privileged to represent a very diverse population in North Ipswich, which includes the local Sikh temple and a Sikh community as well as a large Caribbean community.

As there are more than 100 parishes in my constituency, I shall not talk about each in detail, but I will outline some of the main concerns that affect both my constituency and Suffolk as a whole. Members may be aware that before my election to the House I was a front-line NHS hospital doctor. That experience has stood me in good stead in representing my constituents, particularly the health care concerns that they face. In the NHS we have a key battle before us to ensure that we keep front-line services at Ipswich district general hospital. Under the regionalisation agenda of the previous Government, we saw the loss of vital cardiac and cancer care services at the hospital. It is important that we fight to restore Ipswich hospital to its former glory and make sure that once again we provide the vital services that the people of Central Suffolk and North Ipswich need.

In a predominantly rural constituency, Hartismere is a vital community hospital that unfortunately was closed during the last three and a half years of the previous Government. I am grateful to my right hon. Friend the Secretary of State for Health and his team when he was shadow Secretary of State for working with me to help reopen the hospital, which provides essential services to the older people, families and pregnant women who live in our rural communities.

It would be wrong of me not to draw attention to the fact that throughout Suffolk, thanks to the previous Government's out-of-hours contract, we were left with only two GPs to look after 650,000 people. That is something we shall look to the new health care White Paper to put right.

Other challenges that face Central Suffolk and North Ipswich include the need to improve broadband services and access. Other Members may take access to broadband and high-speed broadband for granted—particularly if they represent more urban areas—but even if under current plans high-speed broadband is delivered to 90% of the UK, two-thirds of my constituents will still not have access to it. All Suffolk MPs will be working together to help deliver those services.

Many of my fellow East Anglia MPs believe that more attention needs to be paid to infrastructure in our area, particularly roads and rail, which have been badly neglected over the last few years. Indeed, for many years Central Suffolk and North Ipswich received only 80% of the average national spend per head of population. That has taken its toll on a road and rail infrastructure that badly needs investment.

My constituents, like many people throughout the country, will welcome the Bill. It will help us to give the country a clear legislative programme, with certainty about what the Government can do over a five-year period. There is so much to do in terms of welfare and education reform and delivering a new White Paper on health care, and in particular dealing with the profligate economic record of the Labour Government. We must make sure that we have a clear five-year programme in which to do that. A fixed-term Parliament can only be a good thing.

5.19 pm

Mr George Howarth (Knowsley) (Lab): May I tell the hon. Member for Central Suffolk and North Ipswich (Dr Poulter) that I have witnessed many maiden speeches, but his was up there among the best? I am sure that the House will hear much more from him in the coming years, and I look forward to his contributions. His maiden speech was certainly gracious and well constructed, and he made it with very little reference to notes. It was very good, and we all look forward to hearing more from him.

Characteristically, the Deputy Prime Minister stayed for the opening speeches, then cleared off. He described the measure as modest in size. Well, at five clauses, it is indeed modest. He managed to demonstrate that, even though it is only five clauses long, he is not totally familiar with the content of his own Bill. In fact, it is not just modest in size but squalid in intent.

Constitutional reform often has the effect of inducing an outbreak of navel gazing in the House, so I am usually reluctant to take part in these debates. That said, I genuinely believe both that the Bill is wrong in principle and that its details have not been properly tested or subjected to wider scrutiny. There was legislative scrutiny in the second report this Session by the Political and Constitutional Reform Committee—I am sure that my hon. Friend the Member for Nottingham North (Mr Allen) will give his views to the House—but it can hardly be said that that report, although helpful, gave the proposals a ringing endorsement. Quite the opposite, in fact. In its conclusion on page 8, while not ruling out the principle of fixed-term Parliaments, the Committee expressed its position:

> "If the coalition wants five years in which to govern, it has the legal right to do so, for as long as it can command the confidence of the House. But we are not persuaded that current circumstances are a sensible basis on which to commit future governments to five-year terms."

Hear, hear.

It is not just the Select Committee that has expressed concern. Indirectly, in business questions last Thursday, the Leader of the House did so, when he said, in answer to a question from me:

> "However, I hope that the right hon. Gentleman understands that with a new Government, it is not possible, if one is to make progress, to put everything in draft, particularly when commitments have been made to do certain things by a certain time. Those political imperatives sometimes"

The House should note the words, "political imperatives"—

> "override the ambition that both he and I have to subject all Bills to draft scrutiny."—[*Official Report*, 9 September 2010; Vol. 515, c. 466.]

There we have it. The reason why the Committee chaired by my hon. Friend the Member for Nottingham North was not given longer and why there was not a wider consultation is that the coalition Government have decided—it would appear, by the way, without a great deal of support from some parts of the Government—that they need to deliver the measure for political reasons.

Mr Allen: It is possible, as my right hon. Friend the Member for Blackburn (Mr Straw) suggested, to devise a means by which pre-legislative scrutiny could take place. Even with Second Reading being completed today, it would be possible to commit the Bill either to the Select Committee or to a Special Standing Committee, so that the 12 week-period that the Government regard as appropriate is fulfilled. I leave that in the air, in the forlorn hope that even at this point the Minister may take it as a suggestion.

Mr Howarth: My hon. Friend makes a useful suggestion, and doubtless he will expand on it if he succeeds in catching your eye, Madam Deputy Speaker. Issues of principle are involved, as well as of detail, and that is what I intend to try to deal with.

Before dealing with the Bill's provisions, I want to say a word about the trust that was placed in our hands by our constituents at the general election. I hope that that does not sound too pious, but it is important that we discuss these principles when we deal with measures of this kind. Regardless of our party labels, we have been entrusted by our constituents with the ability to exercise judgment as representatives of our constituencies. That may appear trite, but it is important that we do not lose sight of it. Let me qualify the point, however, as I am not so naive as to assume that the 31,000 people who

[Mr George Howarth]

voted for me in Knowsley in the general election did so wholly or even mainly on the basis that I was the best person for the job.

Mr Straw: My right hon. Friend should not do himself a disservice. Would he give a wider audience to the fact that, as I recall, his 31,000 vote was either the largest or second-largest Labour share of the vote in England?

Mr Howarth: I have to tell my right hon. Friend that I am far too modest to consider looking at such statistics. Most of the people who voted, however, mainly voted for a particular political party. I am not trying to be unduly modest—that applies to every Member of the House, with very few exceptions.

It is important to remember why people voted for particular parties. It is partly because they agreed with the policies, but partly because they agreed with the values. As the House of Commons Library has made clear in its helpful note, my party manifesto included a commitment to fixed-term Parliaments, as my right hon. Friend said, but that was in the context of a written constitution. I have already cited the wording that was used. My right hon. Friend said that the use of "and" to link fixed-term Parliaments with wider constitutional reform and a constitutional convention was a question of my muddling up subjunctive and conjunctive clauses, but I doubt very much whether he had that in mind when he drafted that section of our manifesto. Knowing him, it is possible that he deliberately left the wording ambiguous so that on a future occasion he could make the claim that he made today. Not for nothing did the late Barbara Castle suggest that he could occasionally be devious—I do not think that she actually used the word, "devious" but that was the import of what she said—and had a great deal of low cunning. Our earlier exchange perhaps demonstrated that even though he is not standing for the shadow Cabinet, he still has a great deal of low cunning.

The manifesto commitment was ambiguous, but a further point needs to be made. How far does an Opposition party go towards deciding that it must stick to every measure in a previous manifesto when, as we did, it loses the election?

I understand that Governments and parties that contribute towards Governments are rightly judged by the extent to which they do what they say will do at a general election and in their manifesto, but it seems to me—and I hope to my right hon. Friend—that although the principles that we stand by as a party and our values as a party endure defeat and victory in a general election, specific policies, and certainly policies on such an issue, do not necessarily survive a defeat.

I was out and about in my constituency over the weekend and had many conversations about matters political, not just with Labour party members, but with voters. Surprise, surprise, not one of them said to me, "George, I want you to go down there on Monday for the Second Reading of the Fixed-term Parliaments Bill and vote for it." They did not say, "Vote for it." They did not say, "Don't vote for it." They have never discussed it with me at all. I have never had a letter on fixed-term Parliaments. I have never had an e-mail—no doubt I will get hundreds of them now—on fixed-term Parliaments. No constituent has ever discussed fixed-term Parliaments with me. Any belief that we have a moral obligation to support the Bill has passed me by.

There are other important things that we should take into account. I come back to the point that I made at the beginning. We are sent here to exercise a judgment about many things, one of which is the performance of any Government at any given time. One of the devices that we have at our disposal in such circumstances is a vote of no confidence. Normally, a vote of no confidence can trigger an election process, subject to the monarch and all the procedures that have to take place in those circumstances. I do not believe that our constituents want us to be in a position where we retain the right to pass a vote of no confidence if the effect of that vote is dependent on the proportion of Members who voted for it.

If a Government have lost the confidence of the House of Commons and that is manifested by a majority of one or two in a vote of no confidence, why is that wrong? Whether the Government have lost the confidence of two thirds of the House, a dozen or two or three Members, why does that make a difference? In the end, a Government who have run out of steam, run out of ideas or run out of confidence here or in the country should go.

I was sent here to make sure that whatever the political composition of the Government of the day, I had the ability on behalf of my constituents to say, "Enough is enough. Go!" That ability, which I have had for the 20-odd years that I have been a Member of the House, is circumscribed by the terms of the Bill.

Alec Shelbrooke: There has been much talk about hypothetical situations that may occur if the Bill is passed. A vote of no confidence does not necessarily mean that there would be a general election. I am thinking back to the time when the House voted on the Iraq war. If the Government had lost that vote, and if the Prime Minister of the day had made it a matter of confidence in him and had lost, does the right hon. Gentleman envisage that there would have been a general election, or would the then Government have changed the Executive and therefore, in effect, the Government?

Mr Howarth: It is always difficult to speculate about what would have happened at a given time if the vote had gone in a different direction. I know for a fact that the then Prime Minister, Tony Blair, had taken the view—it is now a matter of record—that he would have had to stand down as Prime Minister. That would have changed the leadership of the Executive and the political leadership of the country. How that would have affected the imminence or otherwise of a general election is impossible to judge, because the arithmetic of Parliament would have stayed the same. I am not sure whether the hon. Gentleman meant that to be a helpful intervention for the Government, but I do not think it serves that purpose at all.

Mr Shepherd: It is inconceivable and against our traditions that a Prime Minister who proposes a war with the support of his Cabinet is defeated and does not depart the scene. There would have to be a general election. That is our tradition, that is the convention, and that was our constitution.

Mr Howarth: I suspect that the hon. Gentleman is right, and that he is right about what would have been the outcome in those circumstances, but I am not sure it would have been quite so direct. There may have had to be another vote before that became clear. We are speculating about a particular circumstance at a particular time.

I have made the points that I want to make, but I have one more thing to say in conclusion. I do not believe that the people who voted for me sent me here to vote for a measure linked to other measures which, above all, are designed to entrench the position of the coalition Government. Because I was not sent here to do that, regardless of what my right hon. Friend the Member for Blackburn (Mr Straw) says from the Front Bench, and regardless of what was in our manifesto—I am not sure that many of my constituents are remotely aware that it was in our manifesto—there are no circumstances in which I could support the Second Reading of the Bill or even just sit on my hands. So if anybody else in the House is up for it, I shall be marching through the No Lobby to ensure that there is some opposition to the Bill tonight.

6.37 pm

Mr Geoffrey Cox (Torridge and West Devon) (Con): Thank you, Madam Deputy Speaker, for giving me the opportunity to speak on this extremely important Bill. In the evidence that the Select Committee received, one of the distinguished experts who gave their opinion on the Bill described it as so fundamental that in other countries it would have required a constitutional amendment and possibly an entrenched majority of the House to pass.

It is a symptom of the lack of seriousness with which constitutional questions are sometimes treated in the House that the Bill is being rushed through with undignified haste, as appears to be the case, and I regret it. In the last Parliament I spent five years criticising the previous Administration and sometimes being a little harsh on the right hon. Member for Blackburn (Mr Straw) for the way in which he introduced constitutional Bills, but although he sometimes ignored the substance of consultation, he always preserved its appearance, and he did so with the charm and urbanity that is characteristic of him. In this case, we have had neither the substance nor the appearance. Every single constitutional expert who has given their opinion on the Bill has deplored the absence of consultation in which the House and those in the wider community have had an opportunity to participate.

I am troubled by the Bill. I do not understand why we should rush through the House so fundamental a constitutional alteration to arrangements that have stood us in reasonably good stead for generations. In this country our constitution has broadly served us well. We have had political stability for generations. It behoves the House to contemplate very carefully the wisdom of what it is doing, and to be sure that it is replacing the system that has served us well for so many generations with something better than what we had before. I do not believe that we have had the proper opportunity to consult widely and to consider carefully the Bill and the proposal that it puts forward.

Why would it not be possible, if the measure is important to the existence of the coalition, to propose a Bill that applied to this Parliament only, and thereafter to consider the longer-term question? I apply the same principle to some of the other constitutional changes that are being introduced by the Government. To my way of thinking, it is really quite likely that our constitution needs fundamental amendment. I have spoken in the House on several occasions, referring to the fact that I believe that the time may have arrived when we need to consider wholesale the constitutional arrangements of this country. But if we do that, we should do so in a way that dignifies with respect the history of our constitution; that treats it with sufficient seriousness and depth—that produces a constitutional convention, for example, or brings together men and women of good will across all the parties to decide upon the constitutional arrangements that may last 100 or more years and determine the democratic shape of our nation's affairs. That is the way to introduce constitutional change, not in a piecemeal and fragmentary way, not incoherently, not because of immediate expediency, but because we have thought it through and because we know that what we seek to replace the former arrangements with will be better than what has gone before.

One of the things that troubles me most about the provision is that it removes the pivotal involvement of the monarch in decisions about the formation of a Government. It is not a light thing, however graciously Her Majesty may have placed her prerogatives at the disposal of the House, to remove some of the fundamental and inherent prerogatives that Her Majesty retains. In 1910, when Asquith approached George V and asked whether the King would be willing to make 300 new peers in an attempt to steamroller through a fundamental change to the constitution, the sovereign answered Asquith, "No. I will not allow you to push through so fundamental a change to our constitution in such a way unless you consult the people in a general election." The right of the monarch to insist upon a Dissolution when some fundamentally antidemocratic change is proposed by a Prime Minister, is a fundamental safeguard in our constitution. It is something that the monarch, strong in the affections and respect of the British people, is uniquely able to do.

As Conservatives, I say to my right hon. and hon. Friends, we should think long and hard before we remove the cornerstone of our constitution—the discretion and prerogative of the monarch to safeguard our democracy. What is constitutional in this country is the Queen in Parliament, the Crown in Parliament. The mere fact that the Crown in Parliament is often silent and invisible and inactive does not mean that it is not an important cornerstone in our constitutional arrangements. The right of the monarch, either to decline a Dissolution or to insist upon a Dissolution, seems to me a fundamental safeguard. I am not saying that there may not be a case for change. What I am saying, and what I say to my right hon. and hon. Friends, is that it is not something for us as Conservatives simply to brush lightly aside, either for reasons of expediency or for reasons that are unnecessary. I say again: why would it not be possible to have a Bill that determines the length of this Parliament, if we needed such a Bill and if the good faith of the Prime Minister was not enough, and to consider the longer-term ramifications of the measure in a proper way?

The ability of the Prime Minister to seek a Dissolution is not simply the unfair, unprincipled, unattractive proposition that the Deputy Prime Minister proposed to the House an hour or so ago. The ability of the Prime

[Mr Geoffrey Cox]

Minister to go to the Queen to ask for a Dissolution can sometimes be done in circumstances very much in the interests of the nation. I am not saying that it is not sometimes abused. Of course I accept that it can be abused. But in other circumstances it may be vital. The Prime Minister may believe, for example, that it is required in the public interest that he should propose to Parliament a measure that was not in the governing party's manifesto, but which, for reasons of principle, he believes he should put to the country. What does he do then? Let us suppose, for example, that a future Government proposed to join a united states of Europe. Let us suppose that a future Government, in the middle of its term, felt that it was necessary to put to Parliament a substantial surrender of power, so much so that it possibly placed the independent self-governance of this nation in question. Would not the Prime Minister be justified in those circumstances—I simply take that issue at random; there are many others—in asking the Queen for a Dissolution of Parliament? He has no manifesto commitment; this is a fundamental issue of principle. He is not seeking party advantage, but he believes in all conscience that he needs the approval of the British people. This Bill would prevent him from doing that unless he could gain the assent of 66% of the Members of the House. But he may believe, as a matter of conviction and conscience that it is vital that he should go to the people with so fundamental a proposal.

Jacob Rees-Mogg: Will my hon. and learned Friend give way?

Mr Cox: I will in a moment, if I may.

So again I say to the House, it is not simply a done deal. It is not an open-and-shut argument that fixed-term Parliaments are a good thing. The flexibility of our constitution, the ability of the Prime Minister to seek a Dissolution, is not always a bad thing; it can be a good thing. True it is that in recent times Prime Ministers have tended to abuse it. True it is that in recent experience they have perhaps lessened the dignity of their office by declaring elections in schools and by dithering over the timing of a general election. But that does not mean that we ought not to consider carefully a fundamental change to a fixed-term parliament. My plea today is that we do not regard this as simply a subordinate consideration. The way in which this has been introduced and the lightness with which the House is being expected to deal with this critical question troubles me.

In my submission, the existence of the Queen's right to dissolve is in some circumstances very important. That may be why in Canada the prerogative of the Queen was preserved. Although they introduced a fixed-term parliament, the Canadians decided to retain the prerogative of the Queen to dissolve Parliament. We should think long and hard before we make a change of this kind. The role of the monarch is an important one and it is not one that we should simply discard.

I have a number of other observations about the Bill. I am troubled about the length—five years. That means that it postpones for five years, in perpetuity hereafter, the ability of the people of this country to pass their opinion upon the performance of a Government. That is potentially too long. The people of this country, who have had no opportunity to be consulted on this issue, are entitled to be consulted in greater depth than we have done hitherto, through the processes that this House has for the taking of evidence and through the ordinary channels of political communication.

I am troubled about the imprecision in what is intended in clause 2 as regards a motion of no confidence. Perhaps this can be tackled in Committee. The provisions seem to give rise to the realistic prospect that the courts may be tempted to invade on these matters. Let me say a few words about privilege. I agree with the right hon. Member for Blackburn that it is probably unlikely that the courts would wish to intrude on a matter so pivotal to the workings of Parliament as the Speaker certifying that there was a requisite majority under clause 2, but we cannot rule it out. As the Clerk of the Parliament has said, once we inscribe in statute, the courts are automatically engaged. It is their constitutional function to interpret a statute, and I cannot think of a single instance where the courts have declined to entertain an arguable interpretation in an arguable case.

It is true that the courts may say, after deliberation, and after appeal upon appeal, eventually in the Supreme Court, that they have declined to consider whether the certificate issued by the Speaker is indeed a valid certificate. However, this House has tried, on many occasions, to devise so-called ouster clauses seeking to foreclose the jurisdiction of the court on a judicial review, and I cannot think of a single case in which those clauses have prevented the court from saying, "Okay, we will get involved only in certain limited circumstances, but where it is, for example, a question of the precondition for the exercise of the discretion, we will get involved." The Clerk gave a very good example when he pointed out that although clause 2 says that a certificate shall be "conclusive for all purposes", that does not, in theory, prevent the court from inquiring into whether it is a certificate at all.

The courts have adopted precisely that analysis in the case of two or three statutes where the House has sought to exclude the jurisdiction of the courts and they have said, "No, it is our duty to scrutinise and to interpret the meaning of a statute, and where it is a question of whether the essential, fundamental preconditions are met for the exercise of a discretion, we will see whether they have been met." It would be an act of voluntary self-restraint by the courts to deny themselves the jurisdiction to examine the statute to see whether the Speaker had complied. It is likely that they would exercise that voluntary self-restraint, but one cannot exclude the possibility that as time goes on—

Mr Cash: I am following my hon. and learned Friend's arguments with great interest. In the Parliament Acts, the expression about whether the provision is conclusive for all purposes is reinforced by the words,

"and shall not be questioned in any court of law".

It is curious that those words are omitted from this Bill given that would provide an additional safeguard and put the courts even more on notice that Parliament had instructed them not to question any provision in any court of law.

Mr Cox: I take my hon. Friend's point. However, in my experience of judicial review proceedings, no form of language has been completely successful in ousting the court's examination of a statute. This is a well-known

phenomenon in administrative law. The House has, on several occasions, tried its very best, through expressions of the character that he mentions, to oust the jurisdiction of the courts, but the courts have said no. In this case, the Bill says that a certificate shall be "conclusive for all purposes", but the courts would be likely to say, "That means 'a valid certificate will be conclusive for all purposes', and we are entitled to consider whether this is a valid certificate." It would be an act of purely voluntary self-restraint if the court said, "In these circumstances we will treat this statute as non-justiciable." I can think of no examples of where the courts have yet done that. Certainly, they have held certain things to be non-justiciable, but usually because the duty is vague and the expression of the statute is more aspirational than definitive. In this case, it is clear what conditions are set out for the Speaker to pass a valid certificate for the purposes of an early election.

In my judgment, it is not possible to rule out the courts' involvement. If that is right, we should pause. I say this to the Minister: please let us think long and hard about further consideration of this Bill, because it smacks of undue and undignified haste. I have spoken about the duration of the Parliament, and the monarch's integral and pivotal role in deciding on either declining a Dissolution, agreeing to a Dissolution or insisting on a Dissolution is vital. The Bill's imprecision on the nature of a no-confidence motion is vital. Why should we not pause in relation to fixed-term Parliaments? Why do we have to make law for the long-term future? It is regrettable, and I have great trouble with this Bill, as I did with last week's Bill about the alternative vote referendum.

As an Opposition, the Liberal Democrats and the Conservatives frequently criticised the then Administration for piecemeal, incoherent and fragmentary reform in constitutional affairs. Why are we repeating that error? We should be taking a long-term, coherent view of our constitution. How can it be right that we decide the electoral cycle of this House not in conjunction with a consideration of what a reformed Second Chamber would look like? How can it be right that we decide the electoral system of this House not in conjunction with the electoral system that we shall use for the Second Chamber? That would be joined-up, mature and wise constitutional law-making; this looks like something very different. I say to my hon. Friend the Minister that it is embarrassing to be on these Benches having to listen to a Bill of this kind being put forward in such a way. I had hoped for better from this Government.

6.58 pm

Mr Graham Allen (Nottingham North) (Lab): First, I congratulate the members of the Political and Constitutional Reform Committee, many of whom are here tonight, on performing a brilliant job of which I hope the House is very proud. They had a mere two or three days in which to produce for the House a first-class report; I hope that colleagues will take the chance to look at it. If it does not cover all the answers, it none the less raises most of the key questions, which can be resolved through the passage of this Bill. I thank all those Members who worked so hard on pulling the document together. I took the liberty of e-mailing it to every Member of the House within one minute of its publication on Friday morning, in the hope that those who were not out campaigning and knocking on doors at the weekend would have a chance at least to look at it and inform themselves ahead of the debate. We did the best we could, but it is still not good enough in respect of the procedures of the House. We should expect our Select Committees to have a careful, long, detailed look at the legislation that is proposed by the Government and that the House is expected to pass. We can do that by having proper pre-legislative scrutiny.

The Bill flies in the face of effective pre-legislative scrutiny. We will do our best for the two days of Committee on the Floor of the House, but I hope very much that in future the Government will ensure that we all get adequate time to do what we are here for—to make better law. The Government-drafted law, good as it is, will always benefit from a careful, steady appraisal and from the answering of questions. That is what the parliamentary process is designed for.

Mrs McGuire: Pre-legislative scrutiny is a valuable tool for the House across a range of legislation, and constitutional change has significant ramifications for a whole other range of legislation that the House has passed over many hundreds of years. Does my hon. Friend agree that pre-legislative scrutiny should almost have been a pre-requisite before the Bill came to the House?

Mr Allen: As I would expect, my right hon. Friend has hit the nail on the head. As we have heard today, many people support the principle of what the Government are saying. Why lose friends by rushing the process? Why not get better law by going steadily? I am sure that colleagues know that democratic change has been dear to my heart for many years. Above all, why not build a consensus in the House for the change once it has been gone through carefully and after everyone in the House feels that they have been able to be involved—rather than everyone in the House feeling that they have been cheated and that the process has been abusive to them as Members of Parliament? I shall return to that issue a little later.

This is a Second Reading debate, so we are talking about the big principles. The big principle is whether we should have a fixed-term Parliament. I speak personally and strongly in saying that such a Parliament is certainly needed; many of us have campaigned for one for many years. I think that it will become a steady, fixed aspect of what we do in this country. To quote the report,

> "our expectation is that future Parliaments would run for their full fixed term, and that this will become an unremarkable aspect of our modern democracy."

That is how most western democracies operate, and they take it in their stride. That is just how things are. They have a set, fixed system and do not get terribly excited for two or three years about whether there will be a general election. They know perfectly well when their legislature and Executive are going to be elected. The process is not all covered in mysticism, judicial archaeology and obscure Standing Orders; it is there for people to see, with every elector owning their democracy.

It was said that nobody writes to hon. Members about fixed-term Parliaments. People do not; but they do speak to all of us on the doorsteps about how they feel about politics. They feel that politics is not working and does not deliver for them. Our role is to take that

[Mr Allen]

general sentiment—albeit not expressed in favour of this or that clause in a particular Bill—that we must restore politics to people. That is one of the key principles underlying the idea of a fixed-term Parliament.

I have got form on this issue. My right hon. Friend the Member for Blackburn (Mr Straw) talked about the 1992 Labour party decision. I was fortunate enough to have drafted that document. That was nearly 20 years ago and there has been a lot of discussion since, but the House is finally getting the chance to decide on whether the people of our country should know when the next general election is going to be. That is a really important step forward.

Mr Cash *rose—*

Mr Allen: I gladly give way to the hon. Gentleman.

Mr Cash: The hon. Gentleman is doing a great job with his Committee and I congratulate it on producing such a speedy report.

Does the hon. Gentleman not accept that the will of Parliament can easily be subjected to the will of the Whips? On a matter of great constitutional importance, it is perfectly clear that one of the main objectives would be to use the Whip system to get whatever result the respective members of the coalition Government wanted—at the expense of the people of this country, who vote for us?

Mr Allen: Indeed. One of the small matters of dispute that I have had with the hon. Gentleman over the years has been that somehow he feels that we can recreate some golden parliamentary age. This place is owned by the Executive and the alternative Executive; the hon. Gentleman, more than anybody, should know that. If he does not understand that, he falls into the same trap as the Clerk, who talked about the

"House's mastery of its own proceedings".

That is a myth and a self-deception. We must confront that issue. We imagine that somehow there are 650 individuals here creating our own rules, but the rules are created by the Executive.

The Bill seeks to put into law provisions for a fixed-term Parliament, rather than putting them only in Standing Orders, which can be changed at a moment's notice. The 10 o'clock rule is suspended on a daily basis and Standing Orders are cast aside and suspended on a regular basis. To pretend that there is an atomised Parliament with 650 Members all exercising their consciences is a self-deception out of which, I hope, hon. Members throughout the House will educate themselves. In that way, we can take back some control for the House and strengthen Parliament, and people can elect us understanding that the House of Commons—the legislature—is different from the Executive, and should have its own independence and powers.

The hon. Member for Stone (Mr Cash) led me down the road of the rebalancing of powers between the legislature and the Executive, and I agree with the Deputy Prime Minister that this, for once, is the Executive actually giving away a power, for whatever reason. We can make our own judgments about the reason, but I welcome the change, because it helps to rebalance the power between the Executive and the legislature. If we seize this moment, we could use it to help to strengthen this institution rather than, as the hon. Member for Stone mentioned, just following the Whips. We could use this precedent to make sure that we can build up and strengthen our Parliament.

Jacob Rees-Mogg: The hon. Gentleman says that the Bill could strengthen the standing of Parliament. However, as I understand it, the Bill does not prevent the Government from putting down a motion of no confidence in themselves and therefore, if they had a majority, getting an election whenever they wanted one. That is the ineffectiveness of the drafting of the Bill.

Mr Allen: There are so many flaws in the Bill's drafting. The Committee, on the hon. Gentleman's behalf, has done as good a job as it can in pointing them out. I hope that all of them will be put right during the Committee stage, as they could be put right if we were to have a special Public Bill Committee or a proper pre-legislative process. However, that is currently not the case. The hon. Gentleman makes a valid point, and one that should be addressed by the Government as the Bill proceeds.

The other thing about a fixed-term Parliament is predictability and continuity. Instead of permanent politics-as-entertainment, in which there is speculation about impending general elections and people feed tittle-tattle and gossip to raise or lower the political temperature, we will know that we can get on with serious business while knowing the date of the next general election and putting such considerations aside. That is something of great importance, and would lead to us as parliamentarians being able to seize greater control of what we do in this place on a number of issues, rather than being engaged, even at arm's length, in speculation about when an election will take place.

Mr Shepherd: I am grateful to the hon. Gentleman and his Committee, and for the evidence that it has taken. However, what concerns me—one of the witnesses makes this point in a written statement—is that we are talking about piecemeal constitutional change. The Labour and Conservative parties are dedicated to an elected House of Lords, for instance. How does a five or four-year term—or whatever it is—fit into the broader picture for us? That is what bothers me, so to talk about a piece of piecemeal legislation—and to ask the question "Cui bono?"—is not good enough.

Mr Allen: Perfection may be the enemy of the good in this case. As parliamentarians, we are feeding on the crumbs from the table, and I guess that this is as good as we can do. The choice is not between the Bill and a big-bang written constitution that solves all the problems in one go; the Bill is what is on offer, and as supplicants in the process, we can only try to make it a better part of this piecemeal change. Unfortunately, we do not have the option of something much more fundamental; and indeed, I do not know whether the hon. Gentleman would really want that. However, perhaps he does, so I will follow his speech with interest.

The other thing about predictability and continuity is that they give Governments the chance to decide their programme and work through their Bills much more effectively. This helter-skelter "throw it into the mix"

way of passing legislation debilitates Governments of all parties. Let there be proper evidence-based policy making—probably for the first time in our lifetime—so that the Government can put things to the House of Commons that are almost fully formed, rather than throwing them in and saying, "We'll hope to amend them as they go through this House and the second Chamber." Instead of saying, "Let's botch a few things and get hundreds of amendments down to try and get the Bill into shape," how about having proper, considered, evidence-based policy making from the Government, which would then be immensely strengthened by proper scrutiny by the House? Who loses in that process?

Some might say, "It's going to delay things," but we did this. Indeed, a classic example from when Labour was in power was criminal justice Bills. We popped them out virtually once a year because we had not got it right the first time, but we also had to get something before the House and show that we were fighting crime. I think we can all do better than that. If we used the process that is readily available to us to consider legislation carefully, the Government would amaze themselves at the Bills they could produce for the House and the House would amaze itself at the contribution it could make by having proper scrutiny of how legislation develops.

We have proposed, on an all-party basis, that there should be 12 weeks of pre-legislative scrutiny. To his great credit, the Leader of the House has written to the Liaison Committee saying that Bills should normally have a 12-week evidence-taking pre-legislative scrutiny period. If we can get the so-called new politics to deliver on that, so that every Bill goes through that process, we will produce much better law. However, if we just ram things through the House of Commons, it will be business as usual and legislation will be flawed. Those who throw in the bogey of the courts coming and lurking in the corridors of the House of Commons will find their wish fulfilled, because there may indeed be flaws in the legislation. I hope we will iron out all those wrinkles this week and in the days on the Floor of the House, but if we are not careful and if we do not have the right level of scrutiny, we may get what we wish for.

Mrs McGuire: Given the adversarial nature of our legislative process, does my hon. Friend agree that some of the issues to which he has alluded will be difficult to iron out in the passage of this legislation and that pre-legislative scrutiny would have led not only to a far better conclusion, but to one that would have gathered a consensus across the House?

Mr Allen: It is not always possible to achieve a consensus, but technical issues—whether the courts might be involved; whether the proposal might be implemented better through Standing Orders or in statute; the number of days needed after a Government have lost the confidence of the House—are the sorts of things that can be decided to everybody's satisfaction. That does not mean that everyone will be satisfied for or against a fixed-term Parliament, but that is the purpose of a Second Reading, and that is the purpose of the final reading in this House: to say yes or no to the key principles. What we in this House are failing to deliver is technically competent, thoroughly analysed and examined pieces of legislation. That is why we have Select Committees, Public Bill Committees and the Committee stage on the Floor of the House for democratic Bills. However, we as a House are robbing ourselves of the opportunity to do that work by asking our Select Committee to come up with a report, good as it is, in two or three days.

Mr Nigel Dodds (Belfast North) (DUP): I join others in congratulating the hon. Gentleman and his Committee on the work that they have done in the short time available. Can he share with the House what discussions he has had, and what explanation he has been given, about the failure to go down the route of pre-legislative scrutiny for this important piece of constitutional legislation?

Mr Allen: I will have to let the Minister answer that question in the wind-up. With the first Bill—on AV and boundaries—there was a desire for a referendum in May and a great rush to secure one. With this Bill on fixed-term Parliaments, which would benefit immensely from study—not delay, but getting it right—I have not really had a sensible explanation as to why it is being pushed through in the brief period when the House is back in September.

The Bill as a concept—and so without a Second Reading—could have been discussed on the Floor of the House in June or July. Without any knowledge of the Bill, we could have discussed the key principles, but it was not put before us in a way that enabled the Committee to bring sensible and serious evidence before the House. If doing things that way could become part of the process, I would be very happy, but that would really mean putting it in Standing Orders. It is no good waiting for smoke signals from Ministers or the Leader of the House; it should be the right of this House to look at legislation. That should be what we expect, not something that may be handed down with a nod and a wink.

Pete Wishart: We all very much enjoy the hon. Gentleman's evangelical speeches on behalf of empowering the House, but there are three representatives of minority parties in the Chamber, and he will know that we do not have the same access as hon. Members in the three big parties. What is he actively doing to ensure that we are represented in all those important Committees of the House? We are not on his Committee, for example, or on the Liaison Committee, and there are so many others. Surely he could help us a bit more to get there.

Mr Allen: I do not want to go over old ground—you might pull me up, Madam Deputy Speaker—but the hon. Gentleman will know that there are a number of us, not least among the Select Committee Chairs, working away on that issue to try to find a happy resolution. Unfortunately, what was agreed at that moment was a satisfactory compromise, but not exactly what we might all have wanted in those negotiations. None the less, that is something that the House must continue to pursue.

Another advantage of the predictability and continuity of a fixed-term Parliament would be that it would give Members of Parliament and their staff, and the staff of the House, some clarity about the House's timetable and calendar. That would bring some stability to the way in which staff are employed, for example, and to their holidays and their terms and conditions. Such

[Mr Allen]

provisions in the Bill would also give electoral registration officers in every locality a greater length of time to prepare than they have when a snap election is called. We have heard, in a different context, lots of stuff about people failing to register. It would be well within the compass of election registration officers to build up a registration campaign ahead of key events such as general elections, and to plan ahead for such campaigns.

We have also heard—I think it was from the Deputy Prime Minister, or perhaps from an intervener on him—about the Electoral Commission's report, which was published today. It talks about the importance of overseas and forces voters being registered properly, and a fixed-term Parliament could broaden our democracy by making that work. At heart, however, the Bill is about restoring policy questions to our politics, and about not being so distracted by the media blood sports relating to whether we are going to have an election, in whose favour it will be and when the Prime Minister is going to go to the palace.

Finally, I want to deal with the failure to get effective scrutiny for the Bill. That failure has meant that we have not been able to look at a large number of issues that attach to a fixed-term Parliament, including the use of royal prerogative powers and the strength of the Executive over Parliament. We have not been able to study the links between what we are proposing now and fixed-term Parliaments in other areas. We have not been able to examine prerogative powers in relation to proroguing Parliament. That has been mentioned tangentially, but why do we still have these obscure, ancient rights? No one, except those who work inside the Executive, seems to know quite where they come from or how they can be exercised. These things are not in our power; they are not part of Parliament's mastery of its own destiny.

The power to set the date for the meeting of Parliament after a general election is not in the gift of the Members who have just been elected; it is in the gift of the Government. We are not masters of our own destiny in that regard. The power also exists for the Prime Minister to go to the Palace without any authority from Parliament. We talk about things being announced on the "Today" programme, but the Prime Minister does not even need to come to the House to announce that there is to be an election. He does not even have to come here, as the leader of the main party, to claim the right to be sent by Parliament to the palace. We see smoke and mirrors on general election night; colleagues are a passing butterfly of an electoral college that night, and they are expected simply to toe the line thereafter. That is what royal prerogative powers are about; what the term really means is Executive power. All those powers remain untouched and unlooked-at, because we were not allowed to scrutinise the Bill effectively.

I will vote for the Bill tonight. In principle, we need a fixed term for our Parliaments. We should debate on the Floor of the House whether it is four years or five. We should, however, have had proper scrutiny. That would have made this a better Bill. I say with some empathy for the coalition Government that, above all, if they want to change the way in which we are governed, and the way in which our democracy works, they cannot do it by the old methods. They have to reach out, explain and educate. If they do not, those people who would otherwise be their friends and make a consensus work, and who would make the new democracy work and give Parliament the rights that it deserves, will not be with them. It is a great mistake to push through legislation, particularly legislation of this nature, without trying to bring people with them, and the most important people to bring with them in that regard are Members of this House of all parties.

Several hon. Members *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. There are 15 Members in the Chamber who wish to participate in the debate. As there is no time limit on speeches, we will not be able to fit all 15 Members in unless we see a little more progress being made. This is in hon. Members' hands, but a quick calculation shows that if each takes about 10 minutes, we might have a racing chance of fitting everyone in. I want to make that clear to everyone who wishes to speak. Otherwise, we might have to reflect on whether we need a time limit.

7.25 pm

Mr Mark Williams (Ceredigion) (LD): It is a pleasure to be able to speak in this debate, and a particular pleasure to be called to speak after the Chairman of the Political and Constitutional Reform Committee, the hon. Member for Nottingham North (Mr Allen). I shall come to some of the concerns that he has raised, many of which I share. However, that does not take away my genuine pleasure at being able to speak to a Bill that, as my right hon. Friend the Deputy Prime Minister said earlier, takes away the Prime Minister's power to choose the date of the election to suit his or her party. There are understandable concerns—perhaps more than I had envisaged when I came into the Chamber today—but my party and I see the Bill as a huge step forward.

We have heard about somersaults in manifesto commitments, but I support the principle behind the Bill, and the need for fixed-term Parliaments has been enshrined in my party's policies and manifestos for many decades. I do not know when the four years became five during the negotiations between the Conservative and Liberal Democrat negotiating teams, but the principle is still there. Of course there are still details to be worked out in Committee and, yes, many questions should have been asked during pre-legislative scrutiny. In an ideal world, we would also have had more than two days to consider the Bill in Committee. Those are legitimate concerns, but I do not want to lose sight of the principle behind the Bill.

I also believe that the Government are in listening mode. Concern was expressed—and shared by some on the Liberal Democrat Benches—when the 55% threshold was announced, and a vigorous campaign was set up to oppose it. The Government have listened to those concerns and revised their position, and I hope that some of the sensible comments that have been made today will attract the ear of the Minister and the Deputy Prime Minister.

I have served on the Welsh Affairs Select Committee for the past five years. Anyone who has served on a Select Committee will know that, when such Committees work properly, the depth of their inquiries and their capacity to call witnesses over long periods of time are not taken lightly. I share the concerns expressed by the

Political and Constitutional Reform Committee in its report. It had the capacity to hold deep and meaningful discussions over a couple of sessions. I am grateful to the Chairman for the fact that I received my copy of the report very speedily; reading it over the weekend certainly informed my understanding of the matter. However, this is not a satisfactory way to proceed.

We have also heard about the concerns of the Clerk of the House. They were articulated strongly by the hon. and learned Member for Torridge and West Devon (Mr Cox). I shall not attempt, given my humble background, to denigrate the views of the Clerk of the House, but he has strongly held views, and a counter-view was put forward by the Chairman of the Select Committee. All those views need to be fully examined, and we need to see a balance between different witnesses putting forward their cases. I do not, however, share the view that the Bill should not proceed as a consequence of those concerns, and I welcome the principles behind it, and the common ground that is to be found across the Chamber.

One specific matter still concerns me, however, although I was reassured by my right hon. Friend the Deputy Prime Minister's comments on it earlier. It is the position in Scotland, Wales and Northern Ireland. The Prime Minister has talked about pursuing these matters further, and there are legitimate concerns about the prospect of National Assembly elections in Wales on the same day as the next general election for this Parliament. The consequence might be an increased turnout, but there is a genuine fear, articulated by many parties in Wales, Scotland and, no doubt, Northern Ireland as well that Welsh, Scottish and Northern Irish issues—the issues of the Celtic nations—will be drowned out in a national picture.

Justin Tomlinson (North Swindon) (Con): Does the hon. Gentleman agree that the same principle applies to having council elections on the same day—and that long-serving councillors with a good record might well be washed up in national swings?

Mr Williams: I understand the hon. Gentleman's point, but I hesitate to agree because we are talking about national elections for countries—about two general elections happening simultaneously in the same country. That is the difference. We are talking about the relationship between the media and the campaigns and the ability of the Welsh and other Celtic nations to get their message across in the national media.

Pete Wishart: The hon. Gentleman is on to a good point. I heard the Deputy Prime Minister say that a solution would be found, but does the hon. Gentleman agree that it would not be acceptable to have those elections only a few months apart? We cannot be in continual election mode in Scotland, Wales and Northern Ireland for, say, six months a year. There has to be clear blue water between the elections.

Mr Williams: That is the debate that needs to be had. I took the Deputy Prime Minister's statement as the opening gambit in that discussion. I think that the hon. Gentleman is right. For the First Minister in the Welsh context simply to tamper with the date and have a general election in Wales a month after a general election would be completely unacceptable. We would have two months of perpetual campaigning and the drowning out of Welsh, Scottish and Northern Irish issues would still very much apply.

Roger Williams (Brecon and Radnorshire) (LD): In future elections to the Welsh Assembly, the constituencies for Westminster might not be the same as those for the Assembly, which could lead to the confusion experienced in Scotland for the same reason.

Mr Mark Williams: My hon. Friend makes a telling point. It is one thing to have a general election and a one-issue referendum. I do not mind saying that I have chosen my line on that issue; my right hon. Friend the Deputy Prime Minister has convinced me that the Welsh people are perfectly equipped to differentiate between one issue on one ballot paper and voting in a Welsh general election. However, having two general elections on the same day is quite another thing, not least because of the different boundaries that are likely to apply, as my hon. Friend suggests. That will lead to a huge amount of confusion. We need to take a few minutes to reflect on it; I know it is hard for Members representing English constituencies to understand. It would be immensely confusing to voters if two general elections were held on the same day. We already have difficulty in explaining the devolution settlement and how it works, and indeed explaining the distinction between powers for the devolved nations and powers exercised by this Parliament. It is a very big issue.

I did not necessarily expect my right hon. Friend the Deputy Prime Minister to address this issue, but I am very pleased that he has. We do not know what it involves—*[Interruption]*—yet. He has acknowledged the problem, however, and I pay tribute to him for that, but we have to go further.

Maria Eagle: Did the hon. Gentleman not get the same impression from the Deputy Prime Minister as I did—that the solution brought forward will be that the National Assembly and the Parliaments will have to change their election dates?

Mr Williams: That might well be the consequence. I would personally much welcome the Welsh First Minister, rather than a Minister in this place, having the capacity to alter the election date, because that is what devolution is all about.

Mrs McGuire: May I say gently to the hon. Gentleman that that stands in contradiction to the reply he gave to the hon. Member for Perth and North Perthshire (Pete Wishart), when he said that he did not want us to be in perpetual electoral mode. Frankly, from what the Deputy Prime Minister said today, we are talking about only a few weeks' difference—not months or even years—between one election and the other.

Mr Williams: The right hon. Lady makes a fair point. That is why I differ slightly from the hon. Member for Perth and North Perthshire (Pete Wishart) about whether the gap should be months or years. At the moment, there is a capacity to alter the dates for a month either side of the current arrangements, whereas I would welcome an arrangement whereby the Welsh First Minister could effect a difference of months.

Lorely Burt: I enter this nationalist debate with some trepidation because, as an English MP, I have not been involved in this type of situation. Does my hon. Friend not think that the electorates in Wales, Northern Ireland and Scotland have the ability and intelligence to differentiate between two different elections and to make their minds up appropriately on the day?

Mr Williams: I am grateful to my hon. Friend for making that point. I am drawing a distinction between a general election and a referendum. Fighting two general elections on different boundaries will potentially create huge problems. I have never doubted the intelligence of the electorate of Ceredigion to make judgments on all sorts of things, but some of the concern is legitimate. Like the right hon. Member for Knowsley (Mr Howarth), I have not had any letters about fixed-term Parliaments, but I guarantee that people outside polling stations will be very concerned if we have these two elections on the same day. There will be a lot of concern and anxiety about it. It might not have manifested itself yet, but it will if the two elections go ahead on the same day.

Roger Williams: My hon. Friend is very generous in giving way. Before he concludes, I would like to put on record the view I share with him that, if the date of the election is to be altered, the Assembly and the other devolved Administrations, rather than Westminster, should be given the power to determine it.

Mr Mark Williams: I agree absolutely. As ever, I am grateful to my hon. Friend, who is a committed devolutionist, as am I, my party and other parties in the House. It is only right that that decision should be made in the devolved national bodies.

That is a debate to be had, as the past five minutes have illustrated perfectly. That reinforces the point made by the Select Committee Chairman, the hon. Member for Nottingham North, about the extent of the scrutiny he is able to undertake. The case for pre-legislative scrutiny now seems lamentably to have passed this Bill by. These are immense constitutional issues, but I believe that there is a large—albeit not unanimous—consensus about them. I only wish we had the opportunity to illustrate it through the scrutiny work of the Select Committee and other bodies of the House.

7.38 pm

Mr Nigel Dodds (Belfast North) (DUP): Thank you, Madam Deputy Speaker, for giving me the opportunity to take part in this important debate. In the space of just seven days, we have faced a barrage of constitutional legislation and various announcements. Since last Monday, we have had legislative proposals on changing the voting system, reducing the number of MPs and new boundaries for constituencies right across the country within an unprecedentedly short space of time. Today we have legislation before us for fixed-term Parliaments. This morning a decision was announced about doing away with the Queen's Speech next year and moving towards five-yearly fixed terms, with Queen's Speeches in spring rather than the autumn. As I understand it, an announcement has also been made today about legislation to bring into effect the provision of a referendum whenever further powers are to be transferred to Brussels. In fact, most of the damage has already been done when it comes to transferring powers to Brussels, yet nothing is to be done about that—but that is a different debate.

I list those legislative proposals simply to show the difference between what is happening now and the September sittings of previous Parliaments, which, frankly, amounted to nothing more than a bit of window-dressing to impress the media that Parliament and MPs were busy about their work. We cannot accuse the Government of that in this September sitting, as some of the most meaty legislation has been introduced in a short space of time. I say that not to compliment the Government but to condemn them, as they have rushed through this massively important, incredibly significant constitutional legislative change, with at least five significant proposals, three of which are contained in the primary legislation.

As the Chairman of the Political and Constitutional Reform Committee said, the Minister and the Deputy Prime Minister have not shared with the House why they felt that the normal pre-legislative scrutiny period could not be afforded for the Bill. Given that the Bill has no deadline, and we are to have a two-year Parliamentary Session, there is no reason why we could not have had proper pre-legislative scrutiny. When the Minister winds up the debate, I hope that he will tell the House why it has been denied that.

I listened carefully to the criticism made by the hon. and learned Member for Torridge and West Devon (Mr Cox) of the piecemeal approach to constitutional change. Given the items of legislation and various constitutional proposals already brought forward within a very short space of time, it is obvious that there is no overall, co-ordinated, strategic approach. I favour pre-legislative scrutiny of Bills as they come forward, but the case has been made powerfully—the plethora of legislation makes the case—for a much wider consultation and consensus-building exercise when it comes to changes to our constitution, changes to how Parliament operates and changes to how our parliamentary democracy functions. It cannot be right that such major changes are introduced in a piecemeal fashion, to suit the whims of the coalition Government.

Surely we should proceed on the basis of not just pre-legislative scrutiny, but a constitutional convention involving all parties, the wider community and the public, so that people sit down and discuss properly the way forward for the constitution of the United Kingdom. Now that we have devolved legislatures, Executives and Governments in Northern Ireland, Scotland and Wales, that is all the more important. In all the debate, where have those Governments and legislatures been properly considered? That lack of consideration is only one illustration of how the Government have thus far not adhered to the respect for the devolved legislatures and Administrations about which the Prime Minister spoke when he first took office. That respect agenda has not been evident in how the Government have operated so far, certainly in relation to major constitutional issues. I appeal to the Government to build a consensus on the issues and to consult. These constitutional issues are far too important to be treated as matters of party politics, or issues to be pushed through the House as other legislation and policy issues can be at times, and should be given much wider consideration.

Last week, I put forward criticisms of the Parliamentary Voting System and Constituencies Bill, but in principle I support fixed-term Parliaments. Many hon. Members

will take different views on the different Bills. Some are in favour of the alternative vote and the boundary changes, but are against fixed-term Parliaments. Some favour fixed-term Parliaments, but are against other aspects. That shows that we need a co-ordinated approach, with a much wider, in-depth consideration of how the different pieces of legislation fit together.

On this Bill, I agree that a fixed-term Parliament is important, and I am delighted that the 55% threshold has been removed. I agree with the right hon. Member for Blackburn (Mr Straw) that it was removed purely because it would never have got through the House. I am also pleased that the Government have dealt with the lame-duck Parliament issue, by building in provisions for a 14-day period to allow an alternative Government to be formed. A fixed-term Parliament has the advantage of removing from the Prime Minister of the day the ability to go to the country on the basis of the best interests of his or her party, not those of the country at large. It takes away the period of intense election speculation that can arise—even in the middle of a Parliament, as we saw in 2007—and to which everything else is made subject.

Although I welcome the principle of the Bill, there are issues that need to be addressed in Committee. For instance, some of the issues that have arisen in the debate illustrate that the Bill does not provide the certainty that people thought. Under the Bill as it stands, the Government of the day could engineer a vote of no confidence so that they could go to the country at the time of their choosing. If the Prime Minister has given up the power to go to the palace to seek a Dissolution of Parliament, what is the position in relation to a constructive vote of no confidence brought about by the Government of the day? As we know, Parliament cannot bind its successors, so any subsequent Act of Parliament can, on a simple majority, overturn a previous Act of Parliament. Despite the Bill containing a 66% threshold, any future Act of Parliament introduced by the Government of the day, were they so minded, would pass by a simple majority. Therefore, the Bill does not provide, as some have claimed, certainty for ever.

The hon. Member for Ceredigion (Mr Williams) addressed the issue of the dates of the electoral cycle. I join those Members who have raised concerns about the coincidence in 2015 of the general election and elections to the Northern Ireland Assembly, the Welsh Assembly and the Scottish Parliament. I listened carefully to what the Deputy Prime Minister had to say, and it struck me that his comments were perhaps made on the hoof—I do not get the impression that a lot of consideration had been given to the point prior to the debate. He said that he would address the matter, think about it and discuss it. Will the Minister reassure the House that consultation with the devolved Administrations will be genuine, and that when the Deputy Prime Minister speaks to the folk in Northern Ireland, Scotland or Wales, he will not simply go away and then come back and impose a solution? The proposal must be agreed with the respective devolved Administrations. It will be totally unacceptable if the assurance given by the Deputy Prime Minister amounts to nothing more than the usual consultation. The consultation must be genuine and must respect the views of the devolved Administrations.

Mark Durkan: When the hon. Gentleman uses the term "devolved Administrations", is he using a generic term? Is he saying that he wants the commissions or bodies corporate of the devolved institutions of the Parliament and the Assembly, rather than just the Executives, to be consulted?

Mr Dodds: I am happy to give that assurance. That is exactly what I mean. I think that this matter is far too important for all those institutions and bodies not to be involved, and that there must be a consensus. I end where I began: with the need for consensus on these important matters, between the Government here at Westminster and the devolved Administrations and their various organs, and within those bodies. The issue is too important for people to play party politics with it.

Several hon. Members *rose—*

Madam Deputy Speaker (Dawn Primarolo): Order. I must notify Members that, under Standing Order No. 47, I intend to impose a time limit of eight minutes on Back-Bench speeches between now and the beginning of the winding-up speeches at 9.30 pm. That will give me some chance of allowing everyone to speak.

7.50 pm

Alec Shelbrooke (Elmet and Rothwell) (Con): I will endeavour to complete my speech within eight minutes, Madam Deputy Speaker. I am glad that you called me at this point, because interventions on the matters that I wish to discuss were beginning to creep in, and it would have been a shame if I could not have made my speech because my points had already been made.

A major advantage of fixed-term Parliaments is that they bring stability to the country and the markets by informing them of what a Government's legislation will be, and of whether they can steer it through without the threat of a general election that might change both the governing body and its legislation. The issue goes further than the House. I hope that the Ministers will note my comments, and will bear them in mind during the Bill's subsequent stages. There have been encouraging signs today that the Deputy Prime Minister is paying attention to the debate and is willing to make some changes.

A relevant consideration is the way in which we approach council elections. The Government are keen to put more power into the hands of local government. I believe that local government suffers as a result of elections that are too regular, and that therefore provide for short-term governance. Currently, there are votes at least twice every four years for 76 two-tier councils and 20 unitary authorities, and there are 36 metropolitan authorities with four-year terms elected by thirds. I plead with the Minister to take on board my plea that councils should be told, "Although you have the option to move to all-out elections every four years, we want to legislate for you to do that."

I hope that elections for police commissioners could be held at the same time. As has often been said, a local election tends to be seen as a referendum on the Government of the day. Holding both elections on the same day might save money for the public; moreover, any referendum on government would take place locally and the arguments for the police commissioner would take place independently. People may have different opinions, but we are in this place to debate issues.

Andrew Percy (Brigg and Goole) (Con): My hon. Friend may be suggesting something similar to mid-term elections, but one of the problems with the Bill is that it proposes a five-year cycle. If we are to opt for the system suggested by my hon. Friend, we really need a four-year Parliament with the council elections two years in, and unfortunately the Bill will not give us that.

Alec Shelbrooke: I was going to raise that point later in my speech and say that it was a matter for further debate, but I take my hon. Friend's point very seriously.

One of the problems of annual council elections is that they lead to short-termism. One councillor has said:

"We have try to engage our electorate throughout the year. Every month we get out on the streets to remind them of the work we are doing. We want them to remember our work when they go to vote in May."

The first couple of sentences are laudable—indeed, I hope that everyone will do as the councillor suggests—but surely people should behave in that way as a matter of course, not just because they face elections in May.

In my city of Leeds, councillors are elected annually for four-year terms by thirds. Each election costs council tax payers £600,000. The introduction of a system of all-out four-yearly elections would save them at least £1.2 million. Leeds is one of five unitary authorities that make up West Yorkshire. According to a recent figure issued by the West Yorkshire electoral offices, the cost of an election for police commissioners could be as high as £1.5 million. That sum could be almost recouped if just one of those authorities was included in the election.

Ms Louise Bagshawe (Corby) (Con): My hon. Friend is making some interesting and valid points. Does he agree that the Government's stated aim of cutting the cost of politics would be greatly served if we simplified council elections in the way that he suggests? Would not the savings be considerable?

Alec Shelbrooke: I entirely agree. Let me add that the turnout figures for the local elections in Leeds since 2003—30%, 42%—

Madam Deputy Speaker: Order. We are not discussing local elections; we are discussing fixed-term Parliaments. I am sure that the hon. Gentleman is returning to that subject.

Alec Shelbrooke: I am grateful to you, Madam Deputy Speaker. We are discussing the advantages of a system of fixed-term Parliaments. I am arguing that it would not only save money and increase turnouts, but allow local councils to govern for the long term in conjunction with the Government. The problem now is that councils govern for the short term because there is an election every 12 months, and are always seeking the political advantage rather than thinking about what needs to be done over the long term.

Maria Eagle: I am striving to understand whether or not the hon. Gentleman is in favour of fixed-term Parliaments. I hear what he says about councils, but what does he think about the Bill?

Alec Shelbrooke: I was about to end my speech, but perhaps I can put the hon. Lady's mind at rest by telling her that I am in favour of fixed-term Parliaments, and that I will vote with the Government this evening. I am trying to explain how I think we should be governing. I hope that my points will be taken beyond Westminster and considered at local level, because I believe that if Government are to govern for the long term—and I am in favour of fixed-term Parliaments because they will remove instability—local government will benefit from the powers that we want to pass down to it, by enabling authorities to govern for the long term as well rather than having their eye on annual elections. Otherwise, by the time a deal has been hatched they will not have even one year of governance. They will probably have a maximum of three months before starting the next electoral process.

Thank you for indulging me, Madam Deputy Speaker. I hope that the Minister will deal with my comments when he winds up the debate.

7.58 pm

Pete Wishart (Perth and North Perthshire) (SNP): "R-E-S-P-E-C-T" is what Aretha Franklin sang so heartily back in the 1960s. *[Interruption.]* From a sedentary position I am hearing pleas to sing, but I shall try to avoid doing that.

The same mantra has been adopted by the coalition Government in the context of their relationship with Scotland, Wales and Northern Ireland. Although no one would for a minute accuse Aretha of being anything less than passionate and committed to the respect agenda, I do not think that the same could be said of the coalition Government. They are not so much about "RESPECT" as "CONTEMPT". What we have seen from them is not so much a respect agenda as an almost total contempt agenda. They do not consult our Governments about any legislation that they seek to introduce, although it introduces huge constitutional reforms. They do not take any of our objections or any of our realistic difficulties seriously. We are dismissed and almost belittled when we try to make complaints, and that is not good enough. This Conservative and Liberal Government will have to learn to engage properly with the devolved institutions of Scotland, Wales and Northern Ireland. If they do not know the words of "Respect", perhaps they should go and listen to Aretha once again.

This issue follows on from last week's constitutional Bill, on which there was not a peep of consultation with any of the Governments of Scotland, Wales or Northern Ireland, even though what is proposed in the Bills last week and today will have dramatic effects and a huge impact on the democratic processes in the Scottish Parliament, the Welsh Assembly and the Northern Ireland Assembly.

I do not have a problem with fixed-term Parliaments; we have them in Scotland and they work perfectly well. Everybody understands that we will have an election every four years. They get rid of the whole idea of prime ministerial or first ministerial advantage. They get rid of the silly and ridiculous situation we had last year when a lame duck Prime Minister hung on to the last possible minute, seeing if there were any advantage in calling an early election, and then eventually went the full term. Fixed-term Parliaments get rid of all that nonsense and are, in effect, a good thing. I support them.

But why five years? I struggle to understand why we need to have five years for fixed-term Parliaments. Why not get in line with the rest of the UK? It is four years in Scotland, Wales and Northern Ireland. Were we to adopt a four-year fixed-term Parliament, we would not have the difficulties of clashing with the Welsh, Northern Irish or Scottish elections. Surely that should be the real intention. Let us not create constitutional confusion in this country. Let us try to make sure that people can understand what is going on.

Yasmin Qureshi (Bolton South East) (Lab): Does the hon. Gentleman agree that most modern comparable democracies, including elsewhere in the UK, have four-year fixed terms?

Pete Wishart: The hon. Lady is absolutely right. The report from the Political and Constitutional Reform Committee analysed legislatures throughout the world and found that the norm was four years and that five years was very unusual. Surely the Government should be looking at what is the norm throughout the world.

Andrew Percy: As interesting as it is to hear about what is happening in other countries, I am more interested in what happens here. The hon. Gentleman will of course be aware that the average length of a Parliament in this country since 1945 has been 3.7 years. Actually, four years would be a very British thing to do.

Pete Wishart: I am grateful for that intervention. The shadow Justice Secretary made that point earlier. We have learned some fascinating pieces of electoral history today. The point is well made; when it comes to talking about the history of this nation—never mind international examples—four years seems to be just about the right length of time for a Parliament to get its legislative programme through.

If we move to five years, the next general election will be on the same date as the elections in Scotland, Wales and Northern Ireland. What on earth were the people who came up with the Bill thinking about? Surely they looked at the date of May 2015 and thought, "Wait a minute. Something happens that day." Surely they should have thought that the thing that will happen that day is the elections throughout the rest of the UK. Either they did not know or they did not care. Which was it? Did they not care that having those elections on the same day would result in absolute and total confusion? Does the Minister know that there are different constituencies for the Scottish and Westminster Parliaments? Two different sets of returning officers and polling staff would be required. God knows what the counts would be like, but it would be an absolute recipe for total disaster.

Any Scottish election campaign inevitably would be drowned out by the London metrocentric media. There would be leaders' debates without any representatives of the Scottish Government involved. The campaign would be skewed towards the big parties. We would have no chance whatever of getting our point across. All domestic issues in Scotland, Wales and Northern Ireland would be totally and utterly overlooked. It is not right, it is not fair and it is not the way to proceed with our democracy in the UK.

It is not just about elections; it is about democracy and ensuring that people can make an informed choice when they come to put their cross on the ballot paper, whether for this House, the Scottish Parliament, the Welsh Assembly, the Northern Ireland Assembly or local elections.

I listened with real interest and care to what the Deputy Prime Minister said about trying to address the problem. I accept that he is sincere and I look forward to hearing further plans for how that will be done, but we cannot do it now. The returning officers in the other Parliaments and Assemblies have the power to alter the timing and dates of an election by one month. One month would make no difference whatever. Can we imagine how ridiculous it would be? We would just have gone through an election and would be celebrating victories—we hope—and then we would be off to the next one without having time to draw breath. That is nonsense and must be looked at properly.

The Government will have to devolve powers to the Welsh Assembly, the Scottish Parliament and the Northern Ireland Assembly. That would mean reopening the relevant legislation, as that would be the only way to do it. These powers should be transferred to the Scottish Parliament so that it can determine its election date.

I heard the Secretary of State for Scotland talk about a six-month gap between the Scottish and Westminster parliamentary elections. I do not know whether the coalition Government are starting to put that together as a solution, but six months is not good enough either. That would mean almost a whole year of elections. We would just conclude one campaign and then we would start another.

Mrs McGuire: Will the hon. Gentleman give way?

Pete Wishart: I am sorry, I cannot. I have only three minutes left and I have a few more things to say.

We need a clear space, and six months is not sufficient to ensure properly contested election campaigns. Why must the devolved Assemblies and Parliaments move their dates? We have had our election dates set in stone since 1999. The next election will be the fourth we will contest. The Government knew that these elections would take place in May 2015. Surely it is this House that should move its date; it could go six months earlier or later. It just is not fair or right. I look forward to the Government's proposals but they must be substantial because what has been proposed so far is not good enough.

I am pleased that the Government got rid of the silly notion of a 55% threshold for the Dissolution of Parliament. I heard some utter nonsense about the programme for dissolving the Scottish Parliament in defence of the 55% proposal. I am pleased that the Government did, more or less, adopt the Scottish system for Dissolution almost in full, and that is right.

I want to conclude with a few words from Ron Gould, the man who was drafted in by the Electoral Commission and the Scotland Office to look at the disaster that was the last Scottish parliamentary elections. We remember it not only because of the fantastic SNP victory, but because of the 140,000 spoilt ballot papers that resulted from the previous Government's combining of local authority elections with Scottish parliamentary

[Pete Wishart]

elections, using three different electoral systems. We cannot allow that to happen again. The paramount concern of the House must be the electorate; they must have free and fair elections and must not be confused as to how they make their choice.

Aretha sang about respect. I hope that the Minister is listening, that he can start to get the respect agenda back on the rails and that he will listen to the people of Scotland, Wales and Northern Ireland so that we do not have three elections on the same day.

8.8 pm

Jacob Rees-Mogg (North East Somerset) (Con): May I begin by congratulating my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) on his excellent maiden speech? I agreed with every bit of it other than, I am afraid to say, his conclusion.

There are three things that I would like to look at briefly: first, the broad constitutional issues; then some of the detail of the debate; finally, the process. I hope that I can do that in the time allowed.

On the broad constitutional issue, I think that fixed-term Parliaments are a mistake. It is unfortunate to undermine a constitutional monarchy. A constitutional monarchy needs to preserve some role for the sovereign within it—some purpose in having that final arbiter of the system that is above and beyond politics. I am very nervous about giving that role to the Speaker, as this Bill proposes, because, first, it is a bad idea to have a Head of State and a quasi-Head of State—one is quite enough for me, and a hereditary Head of State, which we have had for the best part of 1,000 years, seems a pretty good one to have. Such an approach would also bring the Speaker, who will not be advised by the Prime Minister in this area, into the murky part of party politics. There is a risk that the Speaker could give his certificate for a general election—the most important part of our democratic process—as a matter of political controversy, and that cannot be wise. Let us consider the recent discussion on whether or not something is a money Bill, because that is already putting the Speaker in the political spotlight. A money Bill is an obscure procedural measure, whereas a general election is at the heart of everything that we do. So bringing the Speaker, you, Mr Deputy Speaker, and your colleagues into this murky business will be a mistake.

That leads to the issue of where the courts come in—a matter that has been discussed in this debate. I am not a lawyer, but I can say that the thing to bear in mind about Bradlaugh's case is that the House of Lords ruled that it should not intervene in the procedure of the House of Commons, because at that point the highest court in the land was, of course, one of the Houses of Parliament. That is no longer the case, and with the Supreme Court outside Parliament, the constraint does not apply, so the courts may be willing to be more enthusiastic in their interpretation of statute than they were when the House of Lords was our supreme court. Those are the broad constitutional issues that give rise to concern.

We must then consider the Bill itself and what it contains. The problem with the Bill is that perhaps the best reason for voting for it is that it is pointless. The Whips have certain powers, authority and wise influence that they bring to bear and they could say to me and to other hon. Members that it might be best if we were absent when another hon. Member had tabled a motion of no confidence—they might suggest that we went on a nice trip, to the Seychelles or some such place. That motion would then pass, the Speaker would have no choice but to issue his certificate and, hey presto, we would have a general election at the time of the Prime Minister's choosing. That is a rather foolish approach to legislation.

I doubt whether the 65% hurdle would ever come into effect, but it would be objectionable if it did get into law because it would set a requirement for more than a simple majority, for the first time in the history of this Parliament. That would be a procedural mistake; one vote ought always to be enough. It would also require a percentage of 66 and two thirds of those who are available to vote—not of those who actually vote. Interestingly, a Government who are introducing that into legislation are reluctant, so I hear, to have a turnout threshold in a referendum on the alternative vote. One may see some implicit contradiction in those two suggestions. So, the Bill is rather a hollow shell.

Alec Shelbrooke: Will my hon. Friend give way?

Jacob Rees-Mogg: It would be an honour.

Alec Shelbrooke: I want to pick up on that point about the alternative vote and what the hon. Member for Perth and North Perthshire (Pete Wishart) said about spoiled ballots in Scotland. Does this not further the case that a first-past-the-post election is by far the most effective?

Jacob Rees-Mogg: I am in entire agreement with my hon. Friend, and I am glad that he did not take us back to the local elections in Leeds—I thought that we were at risk of that.

I come to the process of the Bill and how we have reached this point. How did we come to consider a fixed-term Parliament? I am not aware that many of my hon. Friends put this proposal in their election addresses—they may have done if they were Liberal Democrats, but not if they were Conservative. It is not a Conservative proposal in any sense. It got into the coalition agreement late at night, in what would have been a smoke-filled room had not the previous Government banned smoking in office spaces. This therefore took place in a smoke-free environment—a healthy and politically correct room—and late at night it was decided that it would be a good idea to shore up the coalition for five years.

The political arguments for this Bill are first class, but it changes the constitution—a constitution that has evolved. Pitt the Elder, a Whig Prime Minister—it is always nice in the spirit of coalition to quote the Whigs—talked of the "genius of the constitution". Let us invoke that genius, which has let our constitutional processes evolve and develop. This has not been done because the coalition needed some quick fix to make sure that the next election would clash with elections in Scotland and Wales—that is, of course, an inadvertent result of what has happened. The coalition did not come to this agreement with the possibility of extending the life of a Parliament beyond five years. I am sure that all hon. Members have

read the note from the Library pointing out that this legislation will not be subject to the Parliament Act if the other place disagrees, because it extends the life of a Parliament by another two months should the Prime Minister, by order, so wish to do. This is an accidental Bill, thought up in the late hours of the night. It takes away that wonderful flexibility that our constitution has had to meet the needs of circumstances and to evolve.

One way in which the constitution was beginning to evolve, which the electorate seemed to want, was that a Prime Minister's resignation part way through a Parliament should lead to a general election. When I knocked on doors in my constituency, people did not tell me that they wanted fixed-term Parliaments, the alternative vote or any of that. However, they did ask who had voted for the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown). People in North East Somerset of course knew his constituency, because they are a knowledgeable lot. They asked who had elected him to be Prime Minister. Although the constitution is clear that we can change Prime Minister as often as Her Majesty sees fit, the mood of the country is for that constitutional evolution. That is how our constitution works and how it has done for hundreds of years—at least since the Glorious Revolution. Let us hope that it continues to work like that and that this Bill is amended on the Floor of the House out of all recognition.

8.16 pm

Mrs Anne McGuire (Stirling) (Lab): It is a pleasure to follow the hon. Member for North East Somerset (Jacob Rees-Mogg). The style, tone and content of his speeches are always worth listening to, even though we may not always agree with his analysis. Like many Labour Members, I have not always been in favour of fixed-term Parliaments, but over a long period in politics I have come to understand the reason for them. I always found the excitement of the prime ministerial prerogative enticing and, over the years, we have always been able to persuade ourselves that the argument for it was the overwhelming one. I also remember James Callaghan going to the TUC and singing his famous ditty, "Waiting at the church". At the time, I recognised that his political party was on a state of alert, but the rug was pulled from beneath us in October 1978.

The argument against fixed-term Parliaments has always been about political advantage but, as we have heard, there has never been a political disadvantage in having fixed terms for local authorities. As the hon. Member for Perth and North Perthshire (Pete Wishart) said, the Scottish Parliament, the Welsh Assembly Government and the Northern Ireland Executive also operate within a fixed-term context. Given that experience, some of the arguments against the political prerogative of the Prime Minister can be overwhelming. It is not whether or not there is a prerogative to call an election that gets a Government re-elected; it is about the performance and credibility of the political parties during any election, be it at the end of a fixed term or not.

So having undergone this Pauline conversion on the principle, I cannot begin to describe my disappointment at this Bill. The Deputy Prime Minister told us, in one of those extravagant flourishes of which he is so fond, that the electoral reforms that he was presenting to us—over the past two weeks, as it turns out—would be the greatest reforms since 1832, never mind the other suffrage legislation in the 19th century, the introduction of votes for women in the 20th century, the reforms removing the financial powers from the House of Lords, or indeed the establishment of the Scottish Parliament and the Welsh and Northern Ireland Assemblies by the last Labour Government. This was to be his Great Reform Bill. Yet what we have before us is a Bill that is being rushed through with no opportunity to consider it properly or to deal with its implications.

Professor Robert Hazell of University college London's constitution unit said, in his written evidence to the Political and Constitutional Reform Committee that the Bill had been

"prepared on an extraordinarily rushed timetable. It was introduced with no prior consultation, no Green or White Paper. Nor has time been allowed for pre-legislative scrutiny of a draft Bill."

According to both the Clerk of the House and the Chairman of the Select Committee this Bill was ripe for pre-legislative scrutiny, and such scrutiny could have sorted out some of the issues raised today.

We must ask ourselves why the Bill has been rushed through, as there is ample time for pre-legislative scrutiny. The coalition has already said that it intends to stay with us for five years. Unless its confidence is disguising an uncertainty as to whether it will survive for that long, the Prime Minister has laid out the ground rules for this Parliament: we are here for the duration.

Why was there no Green or White Paper? Why are some Liberal Democrats, who wanted to subject everything to pre-legislative scrutiny when in opposition, not pushing harder for this Bill to receive such scrutiny? Surely a minimum of 12 weeks would not scupper the Bill, undermine the principles or erode support. Surely the Government have more confidence in their proposals than that.

The establishment of a Scottish Parliament was linked to a debate in this House, a White Paper and a referendum, and a consensus on the proposals was built up. We heard last week that we will have a referendum on the alternative vote. Why are we to have a referendum on AV but not one on fixed Parliaments? Surely the two votes could have been linked. Also, why is reform of the House of Lords being taken slowly yet this reform is being rushed through?

As other Members have said, constitutional Bills are not straightforward. I was astonished to hear the Deputy Prime Minister saying that this is a short Bill. It may be a short Bill, but, as others have pointed out, it is long on implications. We do not know whether this will be the case, but we could find ourselves with a conflict between the courts and the House of Commons. We needed to have a discussion about that.

We heard from the Deputy Prime Minister today that there might be options to delay, but the only example he gave was the delay of the local government elections in 2001 because of foot and mouth disease. What will the criteria be for assessing whether the Prime Minister should exercise the right to delay? Also, although it has been said that we will have ample opportunity to discuss the Bill and change it over two days of debate in this House, that is no substitute for a proper discussion of, and investigation into, the ramifications of this constitutional Bill.

As the hon. Member for Perth and North Perthshire said—he will be astonished that I have now mentioned him twice in my contribution—the issue of the clash

[Mrs Anne McGuire]

with the elections for the devolved Parliament and Assemblies should not be underestimated. That is nothing to do with the intelligence of the electorate; it is to do with the democratic integrity of those Assemblies and that Parliament. They have their own democratic remit and integrity, and we should not undermine that by overlaying our elections on top of theirs.

Frankly, this is a dog's dinner of a Bill. I have seen some dog's dinners in government, but this one takes the biscuit. *[Laughter.]* The dog biscuit. It would have been a far better Bill if the Deputy Prime Minister had listened to the advice of wiser heads than his own. Frankly, the Deputy Prime Minister is no Lord Grey; he is no Whig reformer. He needs to go back to the drawing board, and he needs to ensure that the Bill that comes before this House on Third Reading is far better than the one in front of us today.

8.24 pm

Julian Sturdy (York Outer) (Con): I am delighted to have the opportunity to contribute to today's debate, as political and constitutional reform remains a key objective for this new Parliament. I shall, however, try to be brief as I am conscious of the fact that time is limited.

It is of the utmost importance that Members on both sides of the House consider the current state of our politics when addressing this Bill. It is fair to suggest that now, following the general election, it is time for this Parliament to move on from the recent depressing chapter in our political history. I believe that we cannot reflect on the current state of our politics and deny that some form of constitutional reform is required. All of us in this House are now charged with the responsibility of restoring the public's trust in our democracy and I welcome this Bill.

Some powerful arguments and good points have been made by Members on both sides of the House, and I must confess to my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) that I did not have anything to say about fixed-term Parliaments in my election address. However, I have been an enthusiastic supporter of fixed-term Parliaments since long before I was elected to the House, and I have always supported this Bill. I consider the current process for the Dissolution of Parliament to be outdated. Under current legislation, the Government of the day retain the ability to call an election as and when they choose within a parliamentary term, subject to the Monarch's approval. I fear that that provides any Government with an unfair advantage, and often encourages a crude, tactical political game to take place. As such, I strongly support the Prime Minister for taking the principled decision to give up his privileged ability to call an election. His absolute commitment to political reform cannot be doubted—but I do not think that was shared by his predecessor.

As set out under the Bill, the date of the next general election is to be 7 May 2015. Such a simple piece of reform immediately provides voters with greater clarity and understanding about their political system. To my mind, voters deserve to know when they can expect to re-elect or ditch their Government.

However, it is also essential for Parliament to retain the ability to hold the Government to account and, if necessary, force an early election, and I believe that that controversial issue has now been brought to a satisfactory conclusion through the provisions in clause 2. Ultimately, the House will be able to force an early election by either a vote of no confidence in the Government or a vote of at least two-thirds of all Members in favour of such an early election.

This Chamber's power will be protected, and I support the fact that the Bill deliberately seeks to weaken the hand of the Executive while injecting an element of reassurance and transparency into our often turbulent political world. It is not just the political village here in Westminster that will benefit from the stability of fixed-term Parliaments; the wider world of business will benefit, too. For too long, Prime Ministers have been able to call an election that suits their own political ends, yet such uncertainty and speculation often cause instability in our economic markets, which are constantly wary of potential political upheaval.

The most obvious example, which has been mentioned by hon. Members already, is the negativity that can flow from such an occurrence. Such negativity flowed from the threat of an election back in September 2007, when many of us in this Chamber were still candidates. The previous Prime Minister used the threat of an election as a political weapon in my view—a tactic that eventually backfired spectacularly, creating uncertainty in the country and in our economic markets while disrupting important parliamentary business.

Fixed-term Parliaments are perfectly normal in countless other democracies.

Mr George Howarth: Let me be absolutely clear in my mind: is the hon. Gentleman suggesting that the electoral cycle needs to be aligned with the economic cycle?

Julian Sturdy: No, my point is that political uncertainty in the process that we have had—and that we had in 2007—can cause economic uncertainty. That is obviously bad news for our economy. Putting the election on a firm footing through fixed-term Parliaments benefits our business colleagues and our economy as well as Parliament.

Gavin Shuker: Is the hon. Gentleman suggesting that for this coalition to keep on going positively for the economy it needs to be held together by such legislation?

Julian Sturdy: I do not believe that at all. This is part of a constitutional reform that must bring back trust to our politics. That is why I am supporting it: we need to bring the public back in line with this House. This is not the full picture, but it is part of that process. That is why I will support the Bill this evening.

Parliament will be strengthened by the Bill. It will produce a stable Government, which is important to our country.

8.31 pm

Austin Mitchell (Great Grimsby) (Lab): Here we are in the second week of the great Liberal Democrat benefit sitting with a measure that is even sillier than the ones we brought in during the first week, with another fix from the gerrymander unit at Cowley street—I do not know why they do not just call it Tammany hall and have done with it—to try to fix the constitution to keep the coalition in power.

We have all been dreadfully mealy-mouthed about this measure, saying that it is a constitutional measure and that we should consider it seriously and make changes, but we are kidding ourselves. It is not a constitutional measure at all. It is a post-nuptial contract. Here we have two parties in a loveless shotgun marriage that do not really trust each other, so they are bringing in a Bill to make divorce more difficult. That is what it is all about.

The hon. Member for York Outer (Julian Sturdy) spoke about building trust, but the whole point of this Bill is that they do not trust each other. The Liberal Democrats do not trust the Conservatives—they fear that they will be dumped when they have made themselves sufficiently unpopular by betraying all their principles, all their friends and all their supporters—whereas the Conservatives are afraid that the Liberal Democrats will get cold feet and pull the plug on the coalition because they cannot stand the heat of the cuts, because the alternative vote is defeated leaving them with nothing left to show for the thing or because they want to stop redistribution. Because of that lack of trust, we get this rather silly and unnecessary Bill, and I certainly hope to vote against it tonight.

The leader of the Liberal Democrats said that we could be absolutely confident that the courts would not be able to interfere, in the same way as he told us that we could be absolutely confident that the cuts would not damage the poor and would not hurt the north. He said that we could have absolute confidence in all that but I am ceasing to have any confidence in the Deputy Prime Minister and his declarations of absolute confidence. The simple point about the courts intervening is that we do not have in the Bill a definition of a vote of confidence. What is a vote of confidence? The courts could well rule on that. As it has to be certified by the Speaker, the courts could rule on the question of whether the certificate is valid. Most importantly, I am against the Bill because it extends the life of a Parliament. That is the exact opposite of what we need to do.

The average Parliament lasts about four years and has done so since the war. It has lasted for three years and eight months if we date it from 1832. Four years was the period envisaged by Asquith when the Septennial Act 1715 was repealed by the Parliament Act 1911. Four years was the period in the Liberal Democrat agenda. The policy paper for the 2007 conference, "For the People, By the People", argued:

> "Liberal Democrats have long argued that parliaments should last for a fixed term of four years."

There we are—that is a clear statement. I ask the Liberal Democrats if there is any principle they are not prepared to betray. They have already betrayed their preference for proportional representation in favour of the alternative vote and now they are betraying their preference for four-year Parliaments.

Four years was also the term that the Labour party envisaged when it was in our manifesto, although I must admit that I did not read it; I did not even remember that it was in our manifesto. I do not read much of the manifestos but as it was in one, we should have some deference for that, I suppose. Why should we extend the term to five years? Is it because the Government are so afraid that the vandalism that they are doing to the benefit system, with the cuts to welfare, and to the economy will make them so unpopular that they will have to sit things out for five years? Is it because they will not be able to face the people before then? That is the only reason I can think of for extending it to five years.

I would like parliamentary terms to be reduced not to four years, which seems to be the opinion of the wiseacres, but to three. We should contract the terms and have triennial Parliaments as was the case at the end of the 17th century before they were extended to seven years.

Mr George Howarth: Does my hon. Friend recall that in the mid-19th century, one of the Chartist demands was for annual Parliaments?

Austin Mitchell: As a Member who came in on the wave of opinion produced by the Chartists—it seems that long ago—I will not go to the extreme of saying that we should have annual Parliaments, but the American House of Representatives is elected every two years; there is a radical proposal. I am being very moderate. Let us have three-yearly elections as we used to have in the 17th century and as they have in Australia and New Zealand. I have spent a long time in New Zealand lecturing in political science and praising the three-year term, which works very well. The virtue of a three-year term is that it keeps Parliament in close touch with the people.

We all remember the explosion of misunderstanding that hit us recently—the alienation, apathy and demands that we should get in touch with the people. We had immured ourselves in the Westminster bubble or glasshouse and people had to throw stones at the glass to break in to us. We were out of touch with the people. That was the massive cry that we heard last year and in the election this year. In Grimsby, when I go down to the docks or around the houses, people say, "It's lovely to see you; you come so often—you shouldn't trouble yourself to come as much as you do," but other Members have told me that when they go canvassing, people say, "Oh, you only come when there's an election. There must be an election, because we never see you between elections." That was part of the explosion of mistrust between the people and Parliament that occurred last year.

How do we get around that problem? The Power report, three years back, indicated the massive degree of alienation, the massive misunderstanding and ignorance about politics and the massive mistrust of politicians. People think that politicians are in politics only to further their own ends and to enrich themselves. How do we get around that? We can do so by bringing ourselves into closer touch with the people through triennial elections, as works well in New Zealand. There is no more effective way of keeping a Government under control, ensuring that the Government serve the causes of the people and that MPs work for the people—that we do our duty in our constituencies—than having three-year Parliaments. That is what we need.

I will not go on; I have only a couple more points to make. The measure has been described as binding, but of course it is not. An extension of the parliamentary term could easily be repealed by the next Parliament because Parliament cannot bind itself. Indeed, it could be amended in this Parliament—if the Liberal Democrats do want to break away at some stage they could bear that in mind. The measure does not abolish the Prime Minister's power. There is the example of what Schröder

[Austin Mitchell]

did in Germany in 2005. He arranged a vote of confidence, told his Ministers not to support the Government and was defeated so that he could have an election. That case went to the constitutional court to decide whether it was legal. There could be a similar situation here, with, as the hon. Member for North East Somerset (Jacob Rees-Mogg) has said, MPs from the Back Benches being sent on lovely trips to the Seychelles, so those safeguards do not apply.

The main point is that we have an opportunity to bring ourselves closer to the people. We should ratify and accept the power that they wanted. There was alienation in 2009 and 2010. Let us get close to the people; let us have triennial Parliaments.

8.39 pm

Mrs Eleanor Laing (Epping Forest) (Con): We last debated this matter in the House on 16 May 2008. Contrary to what the right hon. Member for Blackburn (Mr Straw) said earlier this evening, on that occasion the Conservative Opposition did not oppose the Bill. I know that because I was speaking for the Opposition on that day. We said the matter was worthy of exploration and discussion and that we did not oppose the principle of fixed-term Parliaments.

I am sorry to have to quote myself, but I have checked exactly what I said:

> "A cross-party organisation called Fixed Term was set up in October 2007...and has published the results of a poll conducted in October 2007. It found that 25 per cent. of Conservative MPs, 41 per cent. of Labour MPs and 88 per cent. of Liberal Democrat MPs support fixed-term Parliaments. If anything was to convince me to be against any Bill it would be the fact that 88 per cent. of Liberal Democrats...are in favour of it."—[*Official Report*, 16 May 2008; Vol. 475, c. 1714.]

Well, times change—*[Interruption.]* Don't they just. I do not know what the percentages are today, but there are good reasons for the Bill and I am happy to support it. However, that does not mean I shall not criticise it.

When the Deputy Prime Minister introduced the proposals some months ago, he said that the Bill was intended to strengthen the power of the House. I do not believe that it does so. At the moment, the House can bring about Dissolution by a simple majority, but the Bill will require in most cases a two-thirds majority. I do not believe that the Bill takes power away from the Executive and gives it to the House. That does not mean the Bill is fatally flawed; it just means that we ought to look at what it really does and not pretend that it gives more power to Parliament.

I draw the attention of the Parliamentary Secretary, Cabinet Office, my hon. Friend the Member for Forest of Dean (Mr Harper), to the concern we debated earlier and which was raised by the Clerk of the House before the Select Committee. I am honoured to be a member of the Committee and I endorse what its Chairman said earlier in the debate. Despite what the Deputy Prime Minister said earlier, it is possible that the Bill could bring about judicial review of events that occur and decisions that are taken in the House. I do not want to see that happen, not just as a matter of principle but because it disturbs the stability of the constitution and of the House. I sincerely hope that the Deputy Prime Minister and my hon. Friend have taken into consideration the concerns expressed by the House today and by the Select Committee and that we will return to these matters in Committee.

The evidence put before the House today is not conclusive. It is one legal opinion against another legal opinion, and the integrity of the House and what happens here should not be left in the balance between one legal opinion and another. I sincerely hope that the Minister will consider that point in Committee.

Mr Cash: Does my hon. Friend accept that it is possible that the very fact that the Clerk of the House of Commons has taken one view and that other lawyers have taken another view—albeit in a strange sequence—could be a reason why a court would be more than concerned to issue a judgment in its jurisdiction?

Mrs Laing: Yes. As ever, my hon. Friend makes an important legal point and we must not lose sight of it. We must remember that at one level we can have party political banter and House of Commons arguments, but at another level we must respect the stability of our constitution. It is not just a matter of legal opinion but of consulting the law properly. I am sure that what my hon. Friend has just said will be taken into consideration by Ministers.

We have to put the Bill in its true context. It is rare for me to find myself in agreement with the hon. Member for Great Grimsby (Austin Mitchell).

Austin Mitchell: It's a nice experience.

Mrs Laing: It is a great pleasure.

There is no harm in being honest about matters in the Chamber. The measure is entitled "Fixed-term Parliaments Bill", but no Parliament can bind its successors. The measure is really "The date of the next election (cementing the coalition) Bill". That is what it is for, and I support it for that purpose, but we should not pretend that it is for any other purpose. It has many practical advantages, which are obvious and have been debated well this evening. The stability of the coalition and of the Government to get this country out of the dreadful economic mess in which the Labour Government left us requires such a Bill if we are to make progress.

Mark Durkan: The hon. Lady suggests that the Bill relates strongly to the coalition, but it is foreseeable that the coalition could dissolve, but not Parliament, so we would be in a twilight zone.

Mrs Laing: That is exactly the point that I am about to make. We are discussing the transfer of power, and the Bill brings about the transfer of immense power to the person of the Deputy Prime Minister. As the hon. Gentleman has just said, the arithmetic shows that the 14-day process could be instigated under the Bill. It is perfectly possible that as early as next spring the Liberal Democrat party could decide not to support the Conservative party in coalition. We could go into the 14-day period, and a coalition could be formed by the Labour party, all the other Opposition parties, and the Liberal Democrat party. There could be a completely new Government without our consulting the electorate. That could happen in the foreseeable future, although I sincerely hope that it does not. I do not think that it is likely, but the arithmetic means that it is possible, and we must be aware of that as we introduce the Bill.

Lorely Burt: Will the hon. Lady give way?

Mrs Laing: I would like to do so, but I cannot, because other Members are waiting to speak.

The Opposition have been self-righteous in their criticism of the way in which the Government are introducing constitutional change. Let us not forget the piecemeal way in which the Labour Government brought about constitutional change. Indeed, the Constitutional Reform and Governance Bill that they introduced received about 18 months of pre-legislative scrutiny. It was introduced in the House, and completed all its stages in plenty of time. Half an hour before Third Reading, the Labour Government introduced about 100 pages of amendments. The Bill went to the House of Lords, and just before its final consideration, they added an entire new Bill on a referendum on the alternative vote. The Opposition should therefore be careful in their self-righteousness about the way in which we conduct pre-legislative scrutiny. Having said that, I agree with the hon. Member for Nottingham North (Mr Allen), the Chairman of the Select Committee—he had no responsibility for the previous Government, or very little, I think.

It is wrong to introduce constitutional change in a piecemeal fashion. We should look at the overall effect of the legislation before us, not just the particular issue that is under consideration. It is wrong, at any time, to do constitutional change in one place, then in another. We ought to look at the whole constitution to see how it is balanced. It is, however, our duty in the House to do not what is the short-term expedient but what is in the long-term right. I am willing to put aside that important principle this evening for the greater good of the stability of the coalition and the stability that that brings to our country. I therefore urge my hon. Friends to support the Bill.

8.49 pm

Gavin Shuker (Luton South) (Lab/Co-op): Thank you, Mr Deputy Speaker, for calling me in this important debate about the future of this place and our place in society. It is a pleasure to listen to so many speeches about various aspects of the Bill and to follow the hon. Member for Epping Forest (Mrs Laing), who spoke for eight minutes about aspects of the Bill, but by the end I could not understand many of the things that were praiseworthy about it.

The Bill, which is one of a series of major constitutional measures to be introduced by the Tory-Lib Dem Government, represents a short-term compromise to hold together two coalition partners, but with a long-term hangover, or a series of hangovers, as the Deputy Prime Minister acknowledged today. Our constitutional settlement has emerged and endured. Over the generations, the wash of constitutional change has flowed over the rock that is Parliament, sometimes gently eroding and reshaping. At other times in violent squalls our settlement has been remodelled. The Bill, alongside the Bill that we discussed previously, the Parliamentary Voting System and Constituencies Bill, places high explosives under that rock, and the Tory Government, propped up by Liberals, are perfectly happy to light the fuse. Perhaps there are legitimate arguments for doing so. Perhaps the Conservatives are true revolutionaries. I would like everyone's voices to be heard first and to proceed by consensus.

The previous Government took the view that constitutional change reflects the fact that we are custodians of that consensus, not masters of it. In other words, they sought to proceed by consultation, even at the cost of measures such as House of Lords reform failing to go forward. The present Government are content fundamentally to redesign major aspects of our constitution with limited consultation and scrutiny, at a time when our constitution is evolving by convention as a result of events, and largely for their own short-term gain. That cannot be right.

I cannot support the Bill in its current form. Even if the case can be made for fixed-term Parliaments, safeguards in the Bill serve to take power from Parliament, rather than give it back to this body. Without a Green Paper, a White Paper, a draft Bill or pre-legislative scrutiny, we are being asked to agree a big practical change to the way that our Government and Parliament act. That cannot be right, either.

Mr Cash: Is the hon. Gentleman going to vote against the Bill, although those on his Front Bench said earlier that they would vote for it?

Gavin Shuker: I am happy to clarify that. If there is a Division on Second Reading, I will vote with my conscience. I do not believe that this is the right Bill and I shall explain why in more detail.

The Bill is the wrong prescription for a problem of the Government's own making. If they were truly committed to giving power back to Parliament, they would give us a free vote on the length of the term. They would consult prior to the publication of the Bill. They would seek to bring the Opposition parties with them, but they have not done so.

As we heard earlier, when a five-year parliamentary term was introduced by the then Prime Minister, Herbert Asquith, he believed that that would

> "probably amount in practice to an actual legislative working term of four years" —[*Official Report*, 21 February 1911; Vol. 21, c. 1749.]

One hundred years on, I find no fault in his analysis and no credit in the Deputy Prime Minister's interpretation of his words earlier today. I was tempted to intervene and point out that I had known H. H. Asquith, and that he was no H. H. Asquith.

If the Bill is passed in its current form, we will see four-year Parliaments, followed by one-year election campaigns. The mood of the British people is not for that. Most European countries have four-year cycles, and I believe that the disinterested consensus in the House would be for four years. Four years is surely better than five. Even so, I accept that under the amendment to be moved tonight, which would introduce a four-year term, the risk of a lame duck Parliament looms large. It is an inevitable cost of having a fixed term for our Parliament, and it deserves far greater discussion than it will receive today.

Michael Ellis (Northampton North) (Con): The hon. Gentleman says that most European countries have four-year Parliaments. Is he aware that France and Italy, as well as South Africa, have five-year Parliaments, and that two of the last three Parliaments in this country have lasted for five years?

Gavin Shuker: The hon. Gentleman makes a very good point, which the Deputy Prime Minister made earlier. Perhaps we should not take that as the primary decider for how we set that term. We could look at how good or bad those five-year Parliaments were, a matter which I am sure many Conservative Members will wish to raise.

Let us be clear as to what drives the Damascene conversion of the Liberal Democrats from a four-year fixed term to five, and of the Conservatives who had no measure in their manifesto to bring this about. It is to prevent the Government Members from breaking out in a "West Side Story" style gang fight before the next election. The British people should not have to pay such a high price for their lack of self-discipline. The constitution should not be forced to endure such breakneck change. By seeking to serve themselves, the Government have done a disservice to the people whom they claim to serve.

8.56 pm

Mr Christopher Chope (Christchurch) (Con): It is a pleasure to follow the hon. Member for Luton South (Gavin Shuker). I agree with much of what he had to tell the House. I also very much agree with the two brilliant speeches that we heard earlier from my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg) and my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox).

I became involved in this debate quite early on in this Parliament when I was lucky enough to be called to move the first Adjournment debate of this Parliament on 25 May on the subject of the Dissolution of Parliament. On that occasion there was a lot of ridicule of the Government in relation to the proposal for a 55% threshold and a binding motion relating to that. The Deputy Leader of the House, who is on the Front Bench now, responded to that debate and asserted that it was absolutely important to stick to the 55% commitment because it was in the manifesto, and so on.

I am delighted that the coalition had second thoughts, and I hope that it will have second thoughts about a lot of this Bill as well. But I am very concerned that a couple of things that the hon. Gentleman said on that occasion have not been borne out by tonight's proceedings. He said that there would be a second opportunity, after the debate on the original motion, to consider the constitutional legislation. He said:

"Unlike what happened under the previous Administration, it will not be guillotined."

We will see what happens at the end of two days of debate, but if at the end of those two days not all the amendments have been reached, the only consequence will be that it will be guillotined, and the only consequence that will flow from that is that what the hon. Gentleman said on that occasion will not be capable of delivery. I am happy to allow him to intervene on me now to put the record straight and say that if at the end of two days' debate we have not covered all the ground, we will get extra time from the Government.

The next thing the hon. Gentleman said was that he believed that

"there is merit in listening to what people have to say about the legislation after it is published, rather than being too precipitate in moving from the motion, which will be debated…to the legislation in due course".

and he sought to give some reassurance to the House. In response to an intervention from my hon. Friend the Member for Chichester (Mr Tyrie), he went on to say:

"May I remove any view that the hon. Gentleman might have formed that I am reluctant to entertain the possibility of pre-legislative scrutiny? We have simply not determined the treatment of the Bill yet…but I hear what he says. There is a strong case for pre-legislative scrutiny, but I do not want to extend the consideration of this legislation into the following Session, because that would not be appropriate."—[*Official Report*, 25 May 2010; Vol. 510, c. 147-152.]

In the light of what has been announced today, that gives us, on my understanding, about 18 months in which we can consider this Bill in detail. I am sure that the Deputy Leader of the House did not have that in mind at that stage, because this Government seem to think things up as they go along, but now he realises that there will possibly be a two-year first Session of this Parliament, would he like to intervene to assure me that as a result there will be more time to discuss this Bill?

I am particularly keen that there should be more time to discuss the interaction between the Bill and the proposed changes to the other place. If we were to have an elected Second Chamber, on what basis would we have those elections? When would they be held? How would they interact with the fixed-term Parliament arrangements that we are discussing? It seems as though, almost by design, the Government are legislating in a piecemeal fashion so that this Bill will be out of the way before we are able to ask any questions about the interaction between it and the proposals they are going to bring forward in the form of a draft Bill at the turn of the year. This is an extremely serious matter. I despair at the fact that the Government seem to think they can pull the wool over the eyes of hon. Members on both sides of the House.

This Bill is unnecessary. Why is the Prime Minister's word that he will not go to the country until 7 May 2015 not good enough? It is certainly good enough for me; why is it not good enough for other people? As we heard in the evidence from the Clerk of the House, if there is a desire to give some sort of quasi-statutory backing to these proposals, that could easily be achieved by changing the Standing Orders of the House. The Bill challenges and undermines the historic right of this House to vote a Government out of office with a bare majority. In the Select Committee we heard evidence from Professor Blackburn, who was in favour of a simple majority in order to bring a Parliament to an end if that were the wish of the people. Why do we not trust Members of this House? Why do we not trust the people? I can remember when Ted Heath thought he was acting in his own self-interest and went to the people, and the people had a different view. That is exactly what happens if one trusts the people—why tinker with the constitution in this way?

I am very concerned about this Bill, and I am sorry that, for the second occasion in as many weeks, I will not be supporting the Government in the Lobby tonight. However, that is not a consequence of my failure to follow our manifesto—it is a consequence of the Government introducing legislation that was never in the manifesto. Indeed, in the middle of the election campaign the Prime Minister made a comment that was totally at odds with the current proposals. I could not follow what the Deputy Prime Minister said about how the Bill effectively builds on what the Prime Minister

said on that occasion about having a general election within six months of a change of Prime Minister. That would be more popular and more understandable; perhaps we could make that amendment to the Bill. Instead, the Government seem to want to ensure that this Parliament continues not only for a five-year period but perhaps even for a couple of weeks beyond that. It is not justified, and it is completely over the top. In the end, this sort of behaviour by the Government—the high-handed procedural way in which they are trying to force this legislation through, and its content—will be their own undoing.

9.3 pm

Sheila Gilmore (Edinburgh East) (Lab): Thank you, Mr Deputy Speaker, for giving me the opportunity to speak in this debate. I will be brief.

I want to address in particular the length of the proposed fixed terms and how, by choosing the dates that have been chosen, we are running into totally unnecessary conflict with the devolved Parliaments. In opening the debate, the Deputy Prime Minister suggested that he had now realised there was an issue with this. When he came to the Political and Constitutional Reform Committee before the recess, that issue was pointed out to him very clearly, but until today he appeared to have chosen to ignore it or to brush it off as irrelevant.

There may have been confusion in some people's minds between the potential coincidence of next year's Scottish Parliament elections and the AV vote and the potential clash in 2015. There are some problems with both things, but I concede that next year's clash is not in any way as serious as the potential clash in 2015 and the one that would come along some years further into the future, although most of us would probably not be around to deal with it—not as elected Members, at least.

The coincidence of the two general elections is a serious issue. I do not know whether everybody is aware that in Scotland a decision has been taken to move the local elections, which should have been due next year, to another year, to avoid the clash that happened in 2007; that was between local elections and the Scottish Parliament election. We have already made that move, only to discover that in some ways it has been completely undone by what might be allowed to happen here in Westminster.

The matter has been raised not only by the Select Committee but by many other commentators and it should have been addressed before now. There is no reason not to address it. Given that the bulk of the information and evidence that has come to the Select Committee also supports four-year terms, the easiest way out of the difficulty is for the Bill to be amended to allow for such terms. All the complications about whether to have the elections a month apart, which, as the hon. Member for Perth and North Perthshire (Pete Wishart) said, would be absolutely ludicrous, or six months apart, which would be equally unacceptable, would disappear if we set four-year terms in train.

The change would be simple to make and it would be nice to think that we could carry it out without getting into complicated cross-jurisdictional issues about election dates. The elections are different and the issues are very different. It is undoubtedly true that the issues that the devolved Parliaments would want people to pay attention to will simply be swamped if there is a Westminster general election at the same time. I do not mean that we as politicians would cause that to happen; the media, however, would certainly concentrate on what they would see, rightly or wrongly, as the big election.

Let us not underestimate the differences between boundaries. When the Scottish Parliament elections take place next year, my Westminster constituency will have four different MSPs in it; that is how different the boundaries are. These are no minor differences.

Mrs Laing: The hon. Lady has just verified the criticisms that many of us made in respect of the importance of coterminosity between one legislature and another. I hope she will agree that that ought to be borne in mind by future Governments.

Sheila Gilmore: We appear to have lost coterminosity entirely in Scotland, and that is an issue because the situation there is making it extremely difficult for people to have more engagement in politics and a better relationship with their elected representatives. When I tell people, "I am your Westminster MP, but this person will be the candidate for that part of the constituency, although not in your sister's area, which is not that far away," it is difficult to make them understand. We also have local government boundaries, which are completely different again.

I am not necessarily saying that we have to change the situation in Scotland immediately; we are learning to live with our different boundaries. However, there is absolutely no need to walk into the situation that I have described. A simple change, backed up by the evidence, to a four-year fixed term, would cure the problem. I hope that the Government will at least consider the issue again—and quickly, so we can get it out of the way.

Obviously, there are other issues. I am not qualified to comment on the detail of some of them, but they are important and we need to spend time on them during the passage of the Bill. I hope that at last the Government have heard the question.

Mr Stewart Jackson (Peterborough) (Con): I fear that the hon. Lady is perhaps underestimating the sophistication and intelligence of her constituents and those in the rest of Scotland. The evidence seems to suggest that when elections have coincided—for instance, the local elections on 6 May this year and the county council elections previously that coincided with general elections—people have been discerning and have made separate decisions. I would vouchsafe that that was the case in Scotland.

Sheila Gilmore: I am not suggesting that people cannot make separate decisions, but there are practical difficulties. However, over and above those difficulties—which we saw clearly in 2007 and because of which we have taken a step to move elections apart—the overwhelming objection is that we would be in danger of drowning or swamping the important issues of the different legislatures. That is important for what we have built up under devolution. I may now be an elected representative in this place, but those of us who fought hard for devolution did not do so to see everything disappearing in the way that it would in such elections. That is why we should simply amend the Bill to have four-year terms. Then I would be much more supportive of it than I am in its present form.

Mark Durkan: Did my hon. Friend not previously give an answer to the hon. Member for Peterborough (Mr Jackson), when she said that the issue was not whether voters could cope with the different issues, but whether the media could handle the spread of coverage and, in particular, whether the broadcast media could handle the detailed legal requirements for balanced coverage, which would be almost impossible to achieve if those elections were melodeoned together?

Sheila Gilmore: I absolutely agree.

9.12 pm

Nick Boles (Grantham and Stamford) (Con): This has been a fascinating five hours of debate, and I have learned a great deal. I have been vastly entertained, not least by my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), but I have to admit to being somewhat puzzled. I thought that I would hear the great champions of parliamentary privilege and parliamentary sovereignty—

Mr Cash: I have not been called.

Nick Boles: One of the great champions has not been called, but he has certainly intervened many times, and we have heard from other great champions, not least my hon. Friend the Member for Christchurch (Mr Chope). I thought that I would hear them make an argument for giving Parliament even more control over matters as vital to our democracy as the timing of elections, but no. We have been given an object lesson in that great phrase "looking a gift horse in the mouth".

I just wonder what would have happened to the Government if they had come to the House with a proposal to abolish elections altogether or to abolish the role of the Speaker in deciding whether the Chancellor of the Exchequer should be dragged here to answer an urgent question. Imagine what our reaction would have been then. I listen to the criticism that has been made—that the proposal is somehow fragmentary and piecemeal—and I ask myself whether those critics have any education in the history of our constitution at all. I am the least historically educated person I know, but I know that this country has only ever made change fragmentarily, in a piecemeal fashion and for naked partisan political interests. We even invented an entire new Church—the leader of the Church from which we separated ourselves is about to come to this country, and we welcome him very much—just to enable our sovereign to marry somebody whom he fancied rather more than his wife at the time.

That was just the starting point for a whole generation of constitutional change, so let us not deny the value of fragmentary and piecemeal constitutional change. Let us instead take advances when we get them, and if they are in the interest of the Government proposing them, let us be grateful for the fact that that interest is so well aligned with the interest of this House.

Mr Chope: Does my hon. Friend recall the evidence that Professor Blackburn, the constitutional lawyer, gave to our Committee on the Bill? In question 75, I asked him:

"Does it enhance the power of the House of Commons at all?"

He replied:

"I am not sure that it does."

Nick Boles: I have always found it easy to disagree with academics on almost any subject, and I disagree with Professor Blackburn on that.

My hon. Friend's question leads me neatly to my next point. With much more trepidation, I have to say that I respectfully disagree with what the Clerk of the House said in his contribution to our evidence about the risks posed by the Bill. I recognise that I am probably the least qualified person here to comment on orders of this House, and on the risks of judicial review that the proposed statute might create, because I am not a lawyer, a long-standing MP or a constitutional historian. However, it seemed inadequate for the Clerk of the House to suggest putting this fundamental provision into the statutes of the House—the orders of the House, as I believe they are called—because surely the House can do away with those orders on a relative whim.

The one advantage of the statute that the Government are proposing is that it will have to make its way through the other House. Any further changes will also therefore have to make their way through the other House, and we have a commitment from the Deputy Prime Minister that we will see full-scale reform of that other House before the next election, to which the Bill would apply.

Mr George Howarth: The hon. Gentleman is making a witty and amusing speech, but does he really believe that the courts inevitably act in a totally rational way in all circumstances? My experience of them, certainly in matters of this kind, is that they can be very capricious.

Nick Boles: I certainly agree with the right hon. Gentleman on that point—I should like to call him my right hon. Friend; I am very keen on people joining the coalition, as Members might know—but I am not sure whether the courts are any more capricious than Members of this House. Is that a terrible thing to say?

I am troubled by the proposal of the Clerk of the House, and I fear that those on my own side who advance it are doing so not because they really think that he has a better way to secure fixed-term Parliaments but because they do not believe in fixed terms, and they want to undermine the Bill. If it is going to be brought in, they want it to be introduced in as weak a form as possible. So let us not be deluded by that argument.

I want to turn briefly to the argument about election dates. I shall approach the subject with great deference to those who represent parts of the other nations of the United Kingdom, because they of course must be the ones who speak for their constituents. However, in the United States—a place where individual states have much more power and at least as much sense of their own independence and individual character—all the elections always happen on the same day. In that fine democracy, they happen on the first Thursday in November, either every four years or every two years. In the United States, people would consider it a constitutional outrage if elections were to happen on any other day.

If elections were held on different days, minor elections—I do not venture to suggest that elections to the devolved Assemblies are minor; I am talking about any that people thought were minor—might be used to express an opinion about a major subject, such as the economic policy of the UK Government. It is only by having elections on the same day that people can be guaranteed

an ability to express their opinion on every issue that matters to them, be it local, regional or pertaining to their state, their governor, their mayor or the Government of the day. The same applies to referendums, which is why I also support the idea of their being held on the same day. I venture to suggest that hon. Members should really question whether they are assisting the independence of their local elections, and the autonomy of the decision making on the issues in those elections, by proposing separate election dates. I fear that they might achieve the reverse.

Mark Durkan: The hon. Gentleman referred to the United States of America, where there are no rules on media balance and supposedly no statutory protections for parties in the broadcast media or anywhere else, and where massive amounts of money are spent. The electoral climate in the United States is entirely different from ours. If he is suggesting that elections to our devolved Parliament and Assemblies and to this Parliament should be conducted in the way they are in America, what does he think the turnout would be?

Nick Boles: If people have to go to the polls only once and have to take seven decisions that will affect every single part of government, I suggest that that will make them more likely to vote in the "lower" elections than they would if those elections took place on their own, particularly when people might be busy, have to take the kids to school and get to work. I suspect that the turnout would advance, but let me make it clear that the Deputy Prime Minister has said that he will want to understand the concerns and that the final decision will be made in consultation with the devolved Assemblies.

In the remaining time available, let me deal with one suggestion—for an amendment to the Bill—made by the Select Committee, of which I am lucky enough to be a member. I hope that the Government will consider it in further stages. The suggestion was that, after an extraordinary or exceptional Dissolution, to avoid any jiggery-pokery or any attempt to engineer a Dissolution to the benefit of one party, the term of whatever Government came in after that Dissolution would be just for the balance of the normal term. If the extraordinary Dissolution came after three years, there would be only two years left for the succeeding Government. I think that might go some way to reinforce the Bill's intention to ensure that a Dissolution is not done in a frivolous, arbitrary or partisan way.

In conclusion, let me say that that is the only amendment that I would propose and that I propose it in the spirit of improvement rather than criticism. I very much hope that Members will see fit to support this fine Bill.

Mr Deputy Speaker (Mr Lindsay Hoyle): We have about eight minutes left, with two speakers to go. I call Richard Shepherd.

9.21 pm

Mr Richard Shepherd (Aldridge-Brownhills) (Con): Four minutes to go. Thank you, Sir.

Bills of this nature rankle. If I think about it seriously, this looks like an attempt to entrench a Government. On that basis alone, I would vote against it, as it is not my intention to prolong beyond its natural life, the life of any Government. I have listened to two interesting speeches, which I contrast. The first was that of my hon. Friend the Member for North East Somerset (Jacob Rees-Mogg), which took me back to the schoolroom. I listened carefully: this was the constitution I learned as I was growing up. The speech also reminded me of my undergraduate years, and of when I came here and saw all those things cast aside by a simple vote.

Tony Benn has articulated more clearly than anyone else that it is no longer the monarch that is crucial; the Crown resides in Downing street. That is what this Bill is about and, in a sense, has always been about. We changed our Administrations by slaughter on battlefields and then we evolved a constitution. I will follow that constitution to the end.

I have no problem with fixed-term Parliaments, but how does the Bill relate to the constitutional programme put forward by an inept Deputy Prime Minister who cannot bring coherent constitutional measures to the Floor of the House? How does this Bill integrate with the supposed reform of the House of Lords, which is going to be elected? All these issues need to be thought through, but that is not happening. That is why it is legislation on the back of an envelope. There is a cheerful cynicism about it, as my hon. Friend the Member for Grantham and Stamford (Nick Boles) suggested, and he is talking the truth.

This has always been a place that has had its machinations and purposes, with Governments striving to last for longer. Everything said by the hon. Member for Nottingham North (Mr Allen), the Select Committee Chairman, was in a sense trying to identify what was the ideal. I have reverence for the constitution that was, but that went. We had 13 years of the Labour party bringing forth constitutional measures on the back of an envelope time and again. I saw the corruption of this Chamber. I saw the spirit of this House, which the Select Committee Chairman wants to revive. This House still holds all the power and sovereignty of this country should it wish to exercise it. That is all it has ever been about. If we conspire and work together, we can overthrow Governments, or Governments can come to the end of their time.

As I said last week, I support this coalition because it is the agent by which I hope to see sensible economic, budgetary responses to the dire situation we are in. However, we are confronted with the cheerful cynicism of the Front Bench: "How do we protect ourselves in office?" That is what I feel that this is about. I do not want the people of Aldridge-Brownhills, who sent me here, to be forced to live under a Government extended by an artificial device when that Government's time has gone. The Government have the Parliament Act 1911, which gives them five years if they can make the course and hold the attention of each of us as individual Members from constituencies across the country—and I hope they can. However, they can do it without this half-baked legislation.

9.25 pm

Mr William Cash (Stone) (Con): The Bill was not in the manifesto, and the Prime Minister effectively conceded the case against it some time ago. In addition, there has been no consultation whatever. As I have said, far from giving more power to Parliament, which I regard as a wholly disingenuous argument, it gives more power to the Whips. I love the Whips, but they do use their power

[Mr William Cash]

to ensure the passage of legislation. I do not hold that against them—they have their job to do, and we have ours.

This issue is not just a matter for the coalition: there is a connection to many other legislative programmes, including the alternative vote Bill. In my judgment, despite the Liberal Democrats having reached a very low point in the polls, the Bill is largely for their benefit. On the constitutional questions that arise periodically of who governs the United Kingdom and how—whether it is on this issue, AV, or matters European—the Liberal Democrats are wagging the tail.

I endorse the concerns of the Clerk of the House, and I do not need to repeat my points on that. There should be pre-legislative scrutiny of Bills of this kind. The Bill is being brought in with precipitate haste and is fundamentally flawed. I also believe that Standing Orders would be able to deal with the issue. The idea that, on a whim, the House would reverse the Standing Orders is faintly ridiculous.

Lastly, it is fundamental that we govern ourselves in the House, because we are here on behalf of the people; it is their Parliament, not ours. If we want to subscribe to that principle, there is one simple solution: give us free votes and put it in the Standing Orders and/or in the Bill, that any legislation that contradicts the principles of the Bill should be endorsed by a free vote of the House. Will the Minister guarantee that there will be a free vote if there is any attempt to upset the arrangements of the Bill?

9.28 pm

Maria Eagle (Garston and Halewood) (Lab): We have had an excellent debate, kicked off by my right hon. Friend the Member for Blackburn (Mr Straw) for the Opposition. I cannot let this debate pass without remarking on the fact that he intends that to be his final speech from the Front Bench. He has said that he will retire from the Front Bench: he has done 30 years of hard labour on the Opposition and Government Front Benches and has given distinguished service. He has been called many things: my right hon. Friend the Member for Knowsley (Mr Howarth) referred to Barbara Castle's remarks about how he had a degree of low cunning about him. I must say that I have found him wily as I have worked for him over the past few years, and wise. I thank him for the time that he has given to junior Ministers and spokespeople. He has always been illuminating to work with, and we will all miss his speeches from the Front Bench, although I am sure that we can look forward to many more from him from the Back Benches in future.

As my right hon. Friend explained, we agree with the principle of a fixed-term Parliament, although we believe that it should be for a shorter period than the proposed five years. We had a manifesto commitment to a fixed term favouring four years, and for that reason we will not be voting against Second Reading. However, the House should not misinterpret that as anything more than our agreeing with the principle behind the Bill. We have grave concerns about many of the measures proposed in it, about its timing, and about the way in which the proposals have been developed—although "developed" may be too grand a word for a Bill that seems to have been thrown together on the Deputy Prime Minister's whim and then repeatedly altered as each new problem has emerged, all without the slightest effort to consult anyone else. As many Members have said today, that is not a recipe for good legislation.

We shall be looking closely at the details of the Bill and suggesting amendments. Indeed, it might be better if the Government took the whole thing away and started again from scratch, given the confused and shifting mishmash that appears to be before us and that so casually sets about riding roughshod over one constitutional convention after another. Little thought seems to have been invested in the devising of a scheme that works before the appearance of legislation to implement one that probably will not. Given that the Leader of the House—who is present now—suggested this morning that the present parliamentary Session would continue for two years, why should the Government not take the opportunity to take the Bill away, consult on it properly, and return with something that is in rather fitter shape?

It is almost as if the Deputy Prime Minister does not really care whether the Bill works or not, as long as he can send a reassuring signal to his parliamentary party and his Tory ministerial collaborators that this Parliament will last for five years, whatever the strains—which are already showing—may be in the interim. The rapidly changing provisions, the substantial but unthought-through shifts that we have already witnessed, the thoughtless interference with long-standing constitutional conventions which have been mentioned by many Members on both sides of the House, the indecent haste with which a major constitutional Bill has been introduced when there was no need for it to be rushed through the House, the total lack of consultation or pre-legislative scrutiny referred to not least by my hon. Friend the Member for Nottingham North (Mr Allen), the Chair of the Select Committee—all those things make us suspicious about what the true motivations might be.

So what is really going on behind the overblown rhetoric of the Prime Minister and, in particular, the Deputy Prime Minister, who specialises in it, about the purpose of their constitutional innovations? The Prime Minister says that he wants to give power away, while the Deputy Prime Minister says that he is embarking on a programme of constitutional reform more extensive than any since the great Reform Act. Of course, he forgets just how minimal the reforms of 1832 actually were in substance. In reality, little or no justification has been offered beyond the rhetoric.

We have heard from Members in all parts of the House—from the hon. Member for Aldridge-Brownhills (Mr Shepherd), from the hon. Member for Harwich and North Essex (Mr Jenkin) in interventions, from the hon. Member for North East Somerset (Jacob Rees-Mogg) and my hon. Friend the Member for Great Grimsby (Austin Mitchell) in very witty speeches, from the hon. and learned Member for Torridge and West Devon (Mr Cox) in a rather more portentous but very serious speech, and from the hon. Member for Christchurch (Mr Chope), who has form in this regard—some alternative theories about what might be going on. The truth is that the Deputy Prime Minister is using vastly overblown claims to hide a tawdry piece of fixing that took place over a few days in a testosterone-filled room packed with erstwhile political enemies who were intent on one thing: producing a political stitch-up that could deliver

government to both parties, while preventing each from double-crossing the other for the duration of a Parliament. The fact that they decided to do that by using novel constitutional props is absolutely clear from the proposals that emerged.

Far from being born out of some kind of reforming zeal, and far from being derived from a carefully thought-out analysis of what is wrong with our current constitutional arrangement, the Bill was born out of a suddenly discovered political imperative to save the necks and promote the ministerial careers of those who negotiated it. That is what it looks like to us, because that is what it is. Let us have done with the overblown deputy prime ministerial rhetoric and just call a spade a spade. The long title of this Bill should be "A Bill to ensure that the inherent contradictions in the coalition Government are suppressed for a full five years; to make sure that neither party can double cross the other; and for connected purposes." That would be a bit nearer the mark.

Those Government Members who are slavishly following the Government—many are not—may protest that I am being too cynical. If I am wrong, how come such an important piece of constitutional reform was not in both parties' manifestos? It was in the Liberal Democrat manifesto; they were in favour of a four-year fixed term in their policy, but we appear to have a five-year term in the Bill. How come the Bill has not been afforded the opportunity of pre-legislative scrutiny, or preceded by a Green Paper, White Paper or draft Bill? How come it did not involve all-party consultations and discussions with a view to reaching cross-party agreement, which there may have been some possibility of reaching? How come the Bill has changed in substance more than once as the repeated announcement of ill-thought-through expedients has hit the reality of their not actually being workable or acceptable in the cold light of day?

How come the Bill is in such a poor state that the Clerk of the House has indicated that it has the potential to allow the courts, and even the European Court, to be second-guessing the Speaker, the monarch and this House on such fundamentally political issues as the date of the general election, or whether or not a confidence motion has been passed? It is not just me asking these questions. The hon. and learned Member for Torridge and West Devon, my hon. Friend the Member for Nottingham North, the right hon. Member for Belfast North (Mr Dodds) and the hon. Member for North East Somerset all asked this precise question.

The Bill contains too many novel and contentious constitutional principles to be dealt with in the arrogant and high-handed way that is becoming a hallmark of the Deputy Prime Minister's dealings with this House. The subjects that the Bill addresses are constitutionally fundamental; there is no doubt about that. It ends prerogative powers to dissolve but not to prorogue Parliament—something Charles I would probably have been able to work with—but with the potential to drag the monarch into party political controversy, which would be highly undesirable in this day and age. It introduces the novel, ill-thought-though and potentially dangerous concept of super-majorities into parliamentary proceedings.

As our Clerk has warned, and as the hon. and learned Member for Torridge and West Devon set out, the Bill puts elements of parliamentary procedure into statute, thus fundamentally changing the nature of the legislature's relationship with the judiciary by potentially forcing it to decide what we meant to do in parliamentary proceedings that have hitherto been unavailable to judicial interpretation, thus potentially politicising the judiciary; a most undesirable outcome. The possibility of this is the danger, not the probability, as the hon. and learned Member made clear. I agree with him.

The Bill refers to confidence motions without defining them, thus potentially requiring judges to define them in court proceedings. It draws the monarch and the Speaker into the most party-political aspects of parliamentary proceedings with the obvious risk that their deliberations and actions will be tarnished with party-political controversy of a kind wholly alien to our constitutional arrangements. As we have heard from many hon. Members, the Bill has a serious impact on the devolved institutions of Northern Ireland, Scotland and Wales because of the planned date of the election. If the Deputy Prime Minister had bothered to consult in advance, that particular difficulty might have been pointed out to him so that he could have avoided it.

It is reasonable for any Government to propose constitutional changes, but there is a proper and improper way of doing it. This is not the best way of handling constitutional issues. Why the rush? This is the big question that many of us have been asking during the course of the debate. There is no need for such an ill-thought-through Bill to be before us. The coalition agreement on 12 May said that there would be a "binding motion" placed before the House, whatever that is. I thought that most of our motions were binding. That was to be followed by legislation for a five-year fixed term during which a vote of 55% of Members would be needed to bring the Government down. It just so happened that the combined strength of Tory and Lib Dem Members in this Parliament is 56%, so this represented a clear effort to strengthen the Executive at the expense of the legislature, not to mention preventing the parties to the coalition agreement from ratting on each other.

The furore that ensued has led the Deputy Prime Minister to think again, and that is a good thing, but by the time of the publication of the coalition's programme for government on 20 May this remained the policy. By the Queen's Speech on 25 May, the legislation had been brought forward to be a major priority in the first Session, although we were still promised the binding motion. The Deputy Leader of the House promised it to us before the summer recess, but in the event it did not appear. Perhaps the Deputy Prime Minister ought occasionally to inform his ministerial colleagues about the back-flips that he plans to execute before they assure the House that the Government are going to do something that he has already decided not to do.

Mr Tom Harris (Glasgow South) (Lab): My hon. Friend has given the House a superb explanation of why this is a rotten Bill; anyone who came into the Chamber just after she began her comments might mistakenly believe that the Labour party is opposing this Bill. She has given many good reasons why we should oppose it, but can she try to explain to me why on earth we are going to be sitting on our backsides during the Division?

Maria Eagle: My hon. Friend will do what he wants with his backside when the Division gets called; I am sure that he is capable of making his own mind up. We

[Maria Eagle]

have made it clear that although we are not voting against the Bill on Second Reading, whether we support it on Third Reading will depend on how well it is put right in the interim.

The Deputy Prime Minister told the Political and Constitutional Reform Committee:

"We felt that"

the resolution—

"was necessary on the assumption that the legislation would then come much further down the track."

Why not put the legislation further down the track, in order to enable proper consultation and pre-legislative scrutiny to take place and to allow there to be properly considered measures, with cross-party agreement, that might actually work?

By that time, the measures that the Deputy Prime Minister had announced were already unravelling, because those in the testosterone-filled room of self-interest of the coalition builders, who came up with the 55% super-majority, were so focused on protecting themselves against mutual duplicity that they failed to consider little issues such as the sovereignty of Parliament and other constitutional conventions relating to Dissolution. The proposals in the programme for government were running into the sand; all it took was the light of day and the unravelling began.

By 5 July, the Deputy Prime Minister had changed his mind again, but alas the new proposals are not better; they are just different. The 55% super-majority has been abandoned in favour of a 66% one, which appears unlikely to be used. I say in all seriousness to the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper), for whom I have a lot of time, because he has great difficulties in his Department: what is the rush? We are at the beginning of this Parliament, so why not consult? Why not seek cross-party agreement? What on earth is the argument against doing so? Why not have pre-legislative scrutiny on such an important constitutional Bill? Why not allow the Political and Constitutional Reform Committee to do its job, instead of making it rush? Why not allow the time for concerns expressed by the Clerk about the risk to the privileges of the legislature to be properly addressed? Just asserting in the newspapers that he is wrong does not amount to a refutation of his arguments. Why was his informed advice not heeded a little more in the drafting of this Bill? Is it right that a Bill that provides for such massive constitutional innovation should be introduced five days before the House rises for the summer recess and debated one week after its return, given that the Leader of the House has just announced that this Session of Parliament will go on for two years?

The truth is that the Bill is a reflection of the Minister in charge of it and the political imperatives that led to its being devised. Our over-confident yet vacillating Deputy Prime Minister, who keeps changing his mind every few weeks about what should be in this legislation, appears armed only with his grandiose delusions of constitutional good sense and that characteristic overblown Lib Dem sense of self-importance, which all those who fight the Lib Dems at a local level will recognise very well. One wonders how much he is listening to, or absorbing and considering properly, the advice he must be getting. This is a dangerous combination for our constitutional settlement. We cannot and should not accept that constitutional arrangements that have worked well for centuries should be thrown away hubristically and without thought by a Deputy Prime Minister who cares only for his own neck and the short-term expedient of remaining in his post for a full Parliament.

We have a Deputy Prime Minister who flits from the whim of introducing super-majorities to allowing judges to tell us whether or not we can have an election, and who does not seem to understand that the sovereignty of Parliament and the independence of the Speaker are important principles that we should defend. We have a Deputy Prime Minister who appears more interested in lofty rhetoric about how radical his constitutional innovations are than the detailed work needed to make them both desirable and workable in practice. Members of this House will have to do the work for him. Her Majesty's Opposition will play our part; we will seek to subject the Bill to the scrutiny it needs, and I also reiterate the fact that we intend to review whether to continue to support the Bill on Third Reading.

9.45 pm

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): The hon. Member for Garston and Halewood (Maria Eagle) seemed to spend rather more time talking about my right hon. Friend the Deputy Prime Minister than the Bill during her rather lengthy winding-up speech, and Members—certainly colleagues on the Government Benches—will have noticed that she had trouble keeping a straight face while making her speech. From that, we can detect just how much she really believed what she was saying while going through the motions of delivering her remarks.

We have had a good debate on this important Bill. There were 19 Back-Bench speakers and I will try to refer to their contributions as I go through the arguments. I should just say at the outset that today I sent a copy of the Government's response to the memorandum from the Clerk of the House of Commons to the Political and Constitutional Reform Committee and placed another copy in the Library of the House, and I should also have sent a copy to the right hon. Member for Blackburn (Mr Straw) on behalf of the Opposition. I have apologised to him privately, and I would like to do so on the Floor of the House too. It was an inadvertent omission, not a deliberate discourtesy.

The issue of the time available for debating the Bill arose in a number of speeches from both sides of the House. As is clear from the programme motion, we have allowed two days of debate in Committee of the whole House, so every Member will get the opportunity to debate these important constitutional measures, and a further day on Report and Third Reading for a Bill that contains five clauses and one schedule, albeit they address very important principles.

My right hon. Friend the Leader of the House is present. In answering an urgent question earlier today, he made the point that in the first Session of a new Parliament it is simply not possible to do as much pre-legislative scrutiny as one would hope to be able to do later in a Parliament. However, we are not racing off at pace, and I encourage the Committee, chaired by the hon. Member for Nottingham North (Mr Allen), to

continue its deliberations as I feel that there will be time for the Government and the House to learn from its deliberations before we move into Committee.

Mr George Howarth: The Minister should be aware that the Leader of the House said exactly that at business questions last week, but that he then added that it was for political reasons.

Mr Harper: Yes, the Leader of the House made the point and I do not think it is different from what I have just said. These are important measures and the Government want to get on with political and constitutional reform. That is why we are moving ahead with these measures, but they will be debated on the Floor of the House and all colleagues will have the opportunity to debate them.

Mr Allen: Is not one of the advantages of having a five-year or four-year fixed-term Parliament the ability to plan the legislative timetable, and will the Minister therefore reassure Members of all parties that in future all Bills will be subject to a 12-week pre-legislative scrutiny process? *[Interruption.]*

Mr Harper: Well, I think I hear my right hon. Friend the Leader of the House saying that in principle that is what we intend to do.

The Leader of the House of Commons (Sir George Young) *indicated assent.*

Mr Harper: And I know my right hon. Friend always means what he says.

The Bill's key principle is that my right hon. Friend the Prime Minister is giving up the power to seek the Dissolution of the House. Previous Prime Ministers have exercised that power for their own party advantage. That principle of having fixed-term Parliaments was welcomed by the Chairman of the Select Committee and by the right hon. Member for Blackburn, who speaks for the Opposition; indeed it was in his party's manifesto.

At this point, I should just add to the comments of the Deputy Prime Minister last week and the hon. Member for Garston and Halewood today. I will miss the contributions from the Front Bench of the right hon. Member for Blackburn. He and I have sparred in this Chamber a number of times, and I have always listened carefully to the guidance he has given me on how to deal with the House. I hope Members feel I have learned something from him. I leave it up to others to decide whether what I have learned is, as the right hon. Member for Knowsley (Mr Howarth) said, low cunning or whether I have some way to go in that regard. I should say that I thought the right hon. Gentleman dealt very well with the point raised by my hon. Friend the Member for Louth and Horncastle (Sir Peter Tapsell) about what happened in 1950 and how that could perfectly well have been dealt with by our Bill. The expert way in which the right hon. Gentleman did that showed that he is secretly quite supportive of the Bill.

Mr Tom Harris: Does the Minister understand that it is rather difficult for the House to accept that from the Conservative party's point of view this Bill represents a point of principle, given that every single Conservative Member of Parliament was elected on the promise that in this Parliament the replacement of the Prime Minister would result in a general election within six months? That surely says more about the Prime Minister's confidence in the support of his Back Benchers than it does about his confidence in the principle of constitutional reform.

Mr Harper: As my hon. Friend the Member for Epping Forest (Mrs Laing) said, in the last Parliament, when Conservative Members had the opportunity to discuss this matter, we did not vote against it. It is a very clear principle in the coalition agreement to have a fixed-term Parliament. All Members on the Opposition Benches—or at least in the main Opposition party—were elected on that principle. I am sure that they will support the Bill if there is a Division this evening.

The proposals this morning from my right hon. Friend the Leader of the House on the way we want to change the Sessions of this place to fit in with this Bill can, I am confident, be debated in Committee. We debated them a little earlier today and I think that the fact that the Chair allowed that debate to take place shows that they are in order and that we will be able to debate them in Committee.

Mr Cash: Will my hon. Friend give way on the subject of his memorandum?

Mr Harper: If my hon. Friend will forgive me, I want to make some progress.

On the subject of the date and combination of the elections, my right hon. Friend the Deputy Prime Minister made it clear that the Government draw a distinction between the coincidence of the referendum next year and parliamentary or Assembly elections—a combination that we think is perfectly justifiable when there is a simple yes-no decision—and the coincidence of elections to different Parliaments or Assemblies. He accepted that such elections were more complex and made it very clear that the Government will engage and continue to engage with devolved Administrations.

Pete Wishart *rose—*

Mr Harper: Let me just make the point about Scotland and then I will give way. My right hon. Friend the Secretary of State for Scotland, for example, has written to the leaders of each of the groups in the Scottish Parliament, the Presiding Officer, Opposition spokesmen in this House and the Chairman of the Select Committee and intends to continue that dialogue. Indeed, I will meet him to discuss this matter further. We take these issues seriously and are not just paying lip service to them.

Pete Wishart: I am very grateful to the Minister for giving way. He will have heard the strong representations in today's debate about the combination of both elections. We must hear a little more from the Minister about the specific proposals to ensure that there is no clash in the election dates. What is in his mind about how we can untie and unlock the two elections?

Mr Harper: I do not think that the hon. Gentleman can have it both ways. If I were to come out with specific proposals before we have discussed them in detail with representatives from the devolved Administrations and from those Assemblies and Parliaments, he would

[Mr Harper]

rightly criticise me for being high-handed. The Deputy Prime Minister has made it very clear that we want to solve this problem.

On the issue of not having consulted people in advance, however, I think it is right that, unlike what happened under the previous Government, proposals brought forward by the Government should be announced to this House first before they are discussed with others. That explains why we did not hold those discussions with others first.

On the issue of confidence and the mechanism for motions of confidence, a number of colleagues on both sides of the House seem to be a little confused about the present position. This Bill does not change the position in any way. The right hon. Member for Knowsley and my hon. Friends the Members for Epping Forest and for Christchurch (Mr Chope) all appeared to confuse to some extent our proposals on confidence and on Dissolution. It is very clear that, on confidence, we are not changing the position at all. The Government must have a simple majority in this House.

My hon. Friend the Member for Tewkesbury (Mr Robertson) worried about a change of Government without an election. That can happen now, so that is not a change. My hon. Friend the Member for Aldridge-Brownhills (Mr Shepherd) said that there was an automatic right for an election following the loss of a confidence vote. There is no such automatic right—that is a matter of judgment for Her Majesty the Queen.

Mr Cash: In the memorandum that my hon. Friend issued this afternoon, he effectively attacks the Clerk of the House when he says:

"Turning to the specific points raised by the memorandum: it contains a fundamental misunderstanding about the effect of the Bill on the rules and principles",

and so on. Will he clarify something for me? On the jurisdiction of the courts, will he be good enough to spell out, as do the Parliament Acts, that none of the documents or procedures under the Bill should or could be questioned in any court of law? Will he bring forward an amendment to make sure that we get absolute symmetry between this Bill and article 9 of the Bill of Rights?

Mr Harper: My hon. Friend makes some very good points, but I do not think I will be able to do them justice in the four and a bit minutes remaining to me. I have placed in the Library a memorandum responding to the Clerk's points, which Members can look at. We will deal with these issues—I am confident that my hon. Friend will raise them—in Committee.

Mr George Howarth: I am grateful to the hon. Gentleman for giving way. I think he will find, if he checks the record, that it was the Deputy Prime Minister and not I who got confused about Dissolution arrangements and votes of no confidence.

Mr Harper: That was not my recollection at all. I have dealt with the issue of privilege that my hon. Friend the Member for Stone (Mr Cash) raised.

There are a few speeches that I particularly want to mention. My hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) made an excellent, almost noteless, maiden speech in which he brought the House welcome news about the former Deputy Speaker, Sir Michael Lord, and his improving health. I am sure that all Members will join me in welcoming that excellent news. My hon. Friend gave us a tour of his constituency and focused on the national health service, his professional experience and his campaigning work. He raised an issue that is close to my heart, which I have to deal with—improving broadband in rural constituencies.

I shall pick up only one of the points raised by my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox)—that of a euro treaty and a Prime Minister who might wish to dissolve Parliament to put it before the people. We had such a circumstance in the last Parliament, but that Government not only did not consult the people through a referendum, but rammed the measure through the House. That is not an example that this Government plan to follow.

We have had a very good debate with excellent speakers. The central principle is that my right hon. Friend the Prime Minister has become the first Prime Minister in British history to relinquish his power to seek an election at a time of his own choice. A quote about this issue that I particularly liked compared the advantage that an incumbent Government have in calling the election when they choose with that of an athlete arriving at the track in their running shoes and being allowed to fire the starting pistol. The Prime Minister is taking off his running shoes and putting away his starting pistol, and I have detected a general sense of welcome in the House for that principle—from the Select Committee Chairman, the right hon. Member for Blackburn and many other Members.

I recognise that many important issues have been raised—some of detail and some of more significance—and I look forward to further scrutiny from the Select Committee. Indeed, I have an appointment this Thursday to be grilled by its members on both of our constitutional Bills. I look forward to that, as I am sure do they, and I also look forward to the Bill's Committee stage in the House when we can deal in more detail with the concerns that have been raised today. Any Member will then be able to raise their concerns on the Floor of the House so that we can have an excellent debate and deal with them so that the House can gain powers being given away by the Executive. That example was not set by the previous Government and I am proud to be introducing it. On that basis, I commend the Bill to the House.

Question put, That the Bill be now read a Second time.

The House divided: Ayes 311, Noes 23.

Division No. 61] **[9.59 pm**

AYES

Afriyie, Adam	Barclay, Stephen
Aldous, Peter	Barker, Gregory
Alexander, rh Danny	Baron, Mr John
Allen, Mr Graham	Barwell, Gavin
Amess, Mr David	Bebb, Guto
Andrew, Stuart	Beith, rh Sir Alan
Bacon, Mr Richard	Bellingham, Mr Henry
Bagshawe, Ms Louise	Benyon, Richard
Baker, Norman	Bingham, Andrew
Baker, Steve	Birtwistle, Gordon
Baldry, Tony	Blackman, Bob
Baldwin, Harriett	Blackwood, Nicola

Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Collins, Damian
Colvile, Oliver
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Dunne, Mr Philip
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kennedy, rh Mr Charles
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McCrea, Dr William
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Simpson, David
Skidmore, Chris
Smith, Miss Chloe
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittingdale, Mr John
Willetts, rh Mr David
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy

Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Bill Wiggin and
Norman Lamb

NOES

Carswell, Mr Douglas
Cash, Mr William
Connarty, Michael
Cryer, John
Davidson, Mr Ian
Davies, Geraint
Davies, Philip
Harris, Mr Tom
Havard, Mr Dai
Hollobone, Mr Philip
Jenkin, Mr Bernard
Leslie, Chris
Mitchell, Austin
Nuttall, Mr David
Percy, Andrew
Pound, Stephen
Robertson, Mr Laurence
Robinson, Mr Geoffrey
Shepherd, Mr Richard
Shuker, Gavin
Skinner, Mr Dennis
Smith, Owen
Walker, Mr Charles

Tellers for the Noes:
Mr George Howarth and
Mr Christopher Chope

Question accordingly agreed to.
Bill read a Second time.

FIXED-TERM PARLIAMENTS BILL (PROGRAMME)

Motion made, and Question put forthwith, (Standing Order No. 83A(7)).

That the following provisions shall apply to the Fixed-term Parliaments Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee

2. Proceedings in Committee of the whole House shall be completed in two days.

3. The proceedings shall be taken in the following order: Clauses 1 to 4; the Schedule; Clause 5; new Clauses; new Schedules; remaining proceedings on the Bill.

4. The proceedings shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on the second day.

5. Standing Order No. 83B (Programming committees) shall not apply to the proceedings on the Bill in Committee of the whole House.

Consideration and Third Reading

6. Proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

7. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion at the moment of interruption on that day.

8. Standing Order No. 83B (Programming committees) shall not apply to proceedings on consideration and Third Reading.

Other proceedings

9. Any other proceedings on the Bill (including any proceedings on consideration of Lords Amendments or on any further messages from the Lords) may be programmed. *(Angela Watkinson.)*

The House divided: Ayes 304, Noes 27.

Division No. 62] **[10.14 pm**

AYES

Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Baron, Mr John
Barwell, Gavin
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Bingham, Andrew
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bottomley, Peter
Bradley, Karen
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Bruce, rh Malcolm
Buckland, Mr Robert
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Alistair
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Chishti, Rehman
Clappison, Mr James
Clark, rh Greg
Clarke, rh Mr Kenneth
Clegg, rh Mr Nick
Clifton-Brown, Geoffrey
Collins, Damian
Colvile, Oliver
Crabb, Stephen
Crockart, Mike
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dorrell, rh Mr Stephen
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Evennett, Mr David
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Grayling, rh Chris
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Hague, rh Mr William
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Hancock, Mr Mike
Hands, Greg
Harper, Mr Mark
Harrington, Richard
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Herbert, rh Nick
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunt, rh Mr Jeremy
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus

Kennedy, rh Mr Charles
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lancaster, Mark
Lansley, rh Mr Andrew
Latham, Pauline
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Lefroy, Jeremy
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Lewis, Dr Julian
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lilley, rh Mr Peter
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
Main, Mrs Anne
Maude, rh Mr Francis
May, rh Mrs Theresa
Maynard, Paul
McCartney, Jason
McCartney, Karl
McIntosh, Miss Anne
McLoughlin, rh Mr Patrick
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Mitchell, rh Mr Andrew
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Osborne, rh Mr George
Ottaway, Richard
Paice, Mr James
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Phillips, Stephen
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robathan, Mr Andrew
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rosindell, Andrew
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Simmonds, Mark
Skidmore, Chris
Smith, Miss Chloe
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Robin
Wallace, Mr Ben
Ward, Mr David
Watkinson, Angela
Webb, Steve
Wharton, James
Wheeler, Heather
White, Chris
Whittingdale, Mr John
Wiggin, Bill
Willetts, rh Mr David
Williams, Mr Mark
Williamson, Gavin
Wilson, Mr Rob
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Ayes:
Mr Philip Dunne and
Norman Lamb

NOES

Allen, Mr Graham
Bone, Mr Peter
Cash, Mr William
Chope, Mr Christopher
Connarty, Michael
Cryer, John
Davidson, Mr Ian
Davies, Philip
Dodds, rh Mr Nigel
Durkan, Mark
Edwards, Jonathan
Harris, Mr Tom
Hollobone, Mr Philip
Hosie, Stewart
Jenkin, Mr Bernard
Llwyd, Mr Elfyn
Lucas, Caroline
McCrea, Dr William
Rees-Mogg, Jacob
Shepherd, Mr Richard
Shuker, Gavin
Simpson, David
Skinner, Mr Dennis
Walker, Mr Charles
Weir, Mr Mike
Williams, Hywel
Wishart, Pete

Tellers for the Noes:
Ian Paisley and
Dr Eilidh Whiteford

Question accordingly agreed to.

Business without Debate

BUSINESS OF THE HOUSE

Ordered,

That, at the sitting on Wednesday 13 October, notwithstanding Standing Order No. 20 (Time for taking private business) the Private Business set down by the Chairman of Ways and Means may be entered upon at any hour, and may then be proceeded with, though opposed, for three hours, after which the Speaker shall interrupt the business.—*(Angela Watkinson.)*

INTELLIGENCE AND SECURITY

Resolved,

That Hazel Blears, Sir Menzies Campbell, Mr Mark Field, Paul Goggins, Mr George Howarth, Dr Julian Lewis and Sir Malcolm Rifkind be recommended to the Prime Minister for appointment to the Intelligence and Security Committee under section 10 of the Intelligence Services Act 1994.—*(Angela Watkinson, on behalf of the Committee of Selection.)*

PETITIONS

Bromsgrove Railway Station

10.29 pm

Sajid Javid (Bromsgrove) (Con): Thank you, Mr Speaker, for this opportunity to present to the House of Commons this petition from the people of Bromsgrove, signed by more than 1,600 of my constituents. *[Interruption.]*

Mr Speaker: Order. I am sorry to interrupt the hon. Gentleman. I want to hear about the petition on behalf of the people of Bromsgrove, and I am sure that the hon. Gentleman wants the House to listen courteously. Members leaving should please do so quickly and quietly.

Sajid Javid: Thank you very much, Mr Speaker.

The petition states:

The Petition of the people of Bromsgrove,

Declares that the petitioners, whilst recognising the current pressure on public finances, believe that the cost to the public purse of a new railway station in Bromsgrove would be more than offset by the resulting economic and environmental benefits for

[Sajid Javid]

both Bromsgrove and the wider region; and notes that there is uncertainty about the availability of government funding for this project.

The Petitioners therefore request that the House of Commons urges the Secretary of State for Transport to confirm that government funding for this vital infrastructural upgrade will go ahead.

And the Petitioners remain, etc.

[P000858]

Dartford Crossing

Gareth Johnson (Dartford) (Con): This petition is one that I and many other hon. Members support, including my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch), who is in her place. The Dartford crossing has been a scar on the face of Dartford for too long.

The petition states:

The Petition of residents of North Kent,

Declares that the petitioners believe that the Dartford Crossing should not be sold or privatised.

The Petitioners therefore request that the House of Commons urges the Government to ensure that the Dartford Crossing remains in public ownership.

And the Petitioners remain, etc. [P000859]

Urban Supermarkets (Planning)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

10.31 pm

Greg Hands (Chelsea and Fulham) (Con): I am grateful for the opportunity to raise in the short time available this evening the issue of planning regulations for urban supermarkets and convenience stores. There has been quite a lot of interest in these issues, both in this House and outside, so let me start by saying what I hope this debate will not be about. First, it is not about making a general attack on the growth of supermarkets and their power in this country, which I am sure is a matter of fascination but would probably take us beyond the time available. Nor is this debate about saying that we have too many supermarkets, although my constituency might have more than any other. According to *The Daily Telegraph*, in January 2007 Bicester was called "Tesco Town" because it had six outlets, yet one street alone in my constituency—Fulham road—has more than 10 branches of Tesco.

Nor is this debate about the important role that small shops and a diversified retail base can have. I support, for example, the *Evening Standard* campaign on that issue, although it should also be recognised that there are parts of the world, such as Fulham, that suffer from not having a high street with the chain stores that one might expect. I am also careful not to prescribe too much Government interference in this area. I take the view that, after all, there would not be 10 Tescos on Fulham road in my constituency if there was no customer demand for them. Tesco and the other supermarkets are, after all, successful private sector enterprises that study and understand their customers effectively.

This debate is about empowering local authorities to defend residents who face the immediate consequences of an urban supermarket or convenience store setting up nearby, next door or, at worst, below them. There is currently no planning classification for supermarkets or similar outlets: they are classified as A1, like any other retail shop. Many urban local supermarkets—if not the great majority—have been set up on the premises of other retail outlets, for which they do not require planning permission. Furthermore, planning permission is not generally required for converting many other premises into urban supermarkets. I shall illustrate that phenomenon in due course, but it can include conversion from pubs, cafés, banks or building societies, estate agents' offices, and so on. Pretty much any customer-focused premises can be converted into a supermarket. Such changes are generally viewed as permitted development in the planning system.

The problem is one that I have been aware of for the past 12 years, since being elected for the first time as a councillor in the urban area of Hammersmith and Fulham. As it happens, 1998 was the same year that the very first Sainsbury's Local supermarket was established, on Fulham Palace road, in what was part of my constituency before this year's boundary changes. It was a first, and that model of urban supermarket has now been rolled out by Sainsbury's, Tesco and others, with huge success. It has met customer demand in urban areas—not least from the likes of me, as I do not have a car. Before this debate, Sainsbury's provided me with figures which show that, since that first Sainsbury's

Local opened on Fulham Palace road, a further 334 Sainsbury's Local convenience stores have opened in the UK. No one doubts that it has been a huge success.

A number of voices have been raised to try to change or tighten the planning rules. For example, as recently as July 2010, the London Assembly published its report, "Cornered shops: London's small shops and the planning system", which recommended dividing the A1 class into supermarkets on the one hand, and—broadly speaking—all other retail units on the other. The Assembly felt that that would allow local authorities to control the proliferation of supermarkets.

My objective is rather different. It is not arbitrarily to restrict the number of such outlets, but to allow local authorities to ensure that the new store either has no negative impact on nearby residents or at least reduces it. In other words, the planning system, through local authorities, would nudge the supermarket companies into changing their behaviour, becoming better neighbours, and reducing noise and other environmental impacts. To put it more simply, they would be able to get their change of use if they installed noise abatement measures, especially in relation to refrigeration units, if they restricted delivery times to after 7 am or 8 am, if they ensured that no alcohol was served after 10 pm, and so on.

Rosie Cooper (West Lancashire) (Lab): I thank the hon. Gentleman for giving way. When he gives that gentle nudge to the supermarkets, will he bear in mind the fact that, in the run-up to Christmas, they often install floodlit marquees containing refrigerated units? They do not worry about local authority planning regulations because the marquees are removed after 28 days, when Christmas has passed, and that is how long it would take to do anything about them. Supermarkets do this regularly, and it causes great annoyance and disturbance to local residents.

Greg Hands: I thank the hon. Lady for that intervention, and I am sure that the Minister will wish to respond to her point. It sounds as though such temporary structures would require planning permission, but I am not intimately familiar with that. We do not have a lot of space to erect temporary marquees in Chelsea and Fulham, but they sound as though they should be covered by existing regulations.

My objective is to ensure that the planning system works for local people, particularly those finding themselves living near, next to or above a supermarket. I do not want local authorities to micro-manage retail frontages, flying in the face of customer demand, but I do want supermarkets to try to become better neighbours. Let me illustrate that with four examples from my constituency.

The first involves a success story. In 1998, I worked closely with residents on Parsons Green lane who had bought flats in a new development called The Square, which was above proposed retail premises. I was told later that the residents had been informed, during the process of buying their flats, that there was to be an antiques store below them. As one might expect, however, given that the development was opposite Parsons Green tube station—some would say that it was almost inevitable—it turned out not to be an antiques store but a branch of Budgens. Working closely with the council, however, we managed to get restrictions put in place, and Budgens effectively floated the ceiling—I believe that that is the terminology—by putting in new acoustic protection for the benefit of the residents above. That was possible only because it was a new build and the local authority was able, because it had to grant full planning permission, to impose such a restriction, with which the supermarket had to comply.

That was a rare success, however, and I am afraid to say that other residents have had much less happy experiences in recent years. Let me first detail the case of the Salisbury Tavern on Sherbrooke road in Fulham. To my certain knowledge, it had been a public house for decades. It became a rather successful gastro-pub in about 2001, but in recent years the population of Fulham has changed. It has aged a little and become more family-oriented, and many of the gastro-pubs have been closing. So, after many decades, the Salisbury Tavern closed down. Tesco appeared from nowhere, and before anyone really had time to react, it was approved in April 2010 to convert the premises.

Permitted development rules allowed a change of use from class A4 to class A1. Some small planning permissions were needed, for illuminated signage, the installation of an ATM and an air-conditioning unit. However, we should note that, as far as I could tell, they were not needed for the inevitable refrigeration units that were going to be installed or for the restrictions on opening hours, delivery times and so forth. When it comes to things that really impact on neighbours, the council had few, if any, powers in this case. The local community around Dawes road hope that Tesco will be a good neighbour, but there does not appear to be anything pushing it in that direction.

The third example takes us back to Fulham road. It is not the opening of the 11th Tesco there; permission has been sought to convert in order to create another Sainsbury's Local. The three existing retail units—an A3, A2 and an A1 class—are to be converted to create one single A1 premises, a Sainsbury's Local. The council tells me that that constitutes permitted development and does not require planning permission. There are some smaller ancillary applications related to the installation of an ATM, some illuminated signage and some machine plant, for example. I shall probably object to them, but I am not hopeful of any real success because the grounds on which I would like to object are unlikely to be taken into account. If the new Sainsbury's at the North End road is anything to go by, it will have a dramatic impact on its neighbours above, alongside and in the immediate vicinity.

Finally, I want to illustrate this phenomenon with reference to the misery that the Heap family has faced on North End road over the past five or six years. The Heaps are tenants of the Notting Hill housing trust, and I know them to be quiet, clean-living, working people who take great pride in their home. They are not wealthy by any stretch of the imagination. Until 2004 or 2005, the retail premises below them had for a considerable period been used as a bed shop. We all know that such retail outlets have been going out of fashion, as people tend to buy at Ikea or purchase on the internet. Almost inevitably, the bed shop in the centre of Fulham closed down and Sainsbury came along and opened a Sainsbury's Local. I could be wrong, but I do not believe that any planning permission was needed, except for the ancillary features such as the ATM and some signage. No planning application was necessary for the considerable refrigeration units put in or for the new goods lift, which makes a lot of noise at rather inconvenient hours of the day.

[Greg Hands]

This should begin to illustrate why I believe supermarkets are different from other retail or A1 uses. Refrigeration units can and do have huge impacts in terms of noise, especially in Victorian buildings. The same goes for industrial lifts, delivery palettes, daily early morning deliveries, again with refrigeration—in this case, the units in the lorries. The impact on the Heaps' quality of life has been devastating. Unlike in the Budgens example I cited earlier, Sainsbury was not obliged to do anything to design in noise abatement at the converted premises.

Throughout, Sainsbury has treated the Heaps, the Notting Hill housing trust and me with a mixture of foot dragging and obfuscation. In my eight years as the Heaps' local councillor and then my five and a half years as their MP, I have had perhaps half a dozen site meetings with Sainsbury—quite a lot for an individual item of MP casework. Every time, small, incremental improvements are promised by Sainsbury, but only some are delivered and they are often reversed, as with the installation of acoustical flooring. Staff are told to be more respectful, but it rarely lasts. Senior management occasionally respond to e-mails from me, but almost never to those from the Heaps. I have called the office of Justin King himself on a number of occasions, chasing up responses, as has Notting Hill—but it has similarly had no real response. To be fair, Sainsbury is now promising what appear to be better improvements, but only as a result of my securing this debate tonight. Miraculously, it appears to have sprung into action and answered many of my requests over the summer.

To conclude, the Minister will know better than me what overall approach our new coalition Government are taking towards supermarkets, in respect of planning and of competition matters, which I have not dwelled on tonight. Certainly, the below-cost selling of alcohol is attracting attention. I think that the time has come to try to effect a new classification in the planning rules for supermarkets or to allow tighter local authority controls over changes in classification so that additional resident-friendly conditions might be able to be applied. In that sense, I might agree with the London Assembly, although I think we are approaching the problem from rather different angles.

I appreciate that this throws up some issues of definition—for example, what actually constitutes a supermarket or a convenience store, which is obviously vital when planning regulations are being designed. The key definition for me might include the use of large-scale refrigeration. By requiring supermarkets to get planning permission, we empower local authorities—and thereby local communities—to secure improvements and environmental changes that will improve lives in the immediate vicinity.

I start as someone who is not naturally hostile to expanding private enterprises, such as supermarkets, which are seeking to meet customer demand. However, urban convenience stores, and Sainsbury's in particular, need to do much better in their communities. I urge the Minister to take another look at the matter, and I look forward to his response.

10.45 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I congratulate my hon. Friend the Member for Chelsea and Fulham (Greg Hands) on securing this debate about planning regulations on urban supermarkets and convenience stores, which is a concerning area of policy for many of his constituents. The debate seems quite well attended compared with some I have seen in the past.

The debate has raised important issues around balancing sustainable development with community needs, so I am pleased to be able to respond. My hon. Friend is particularly concerned about problems that might arise in the planning process, where planning permission is not required to change the use of a building. First, however, it would be helpful if I set those issues in context.

To achieve the aim of balanced and sustainable communities, we need homes, jobs, leisure facilities and places to shop in locations where they can be accessed by all. That is why we focus new development and activities in the cities, towns and villages in which we live. However, we understand the tensions that occasionally arise from locating different types of development and land uses next to one another. That is why it is important to have a planning system that balances the need to allow businesses to grow with protections for the community from the negative impacts of some development. The planning process seeks to ensure that our communities get the right type of development, located in the right locations, to maximise benefits for all, and to prevent, as far as possible, negative impacts.

Where proposed developments are likely to cause problems for neighbours, local planning authorities already have powers to attach planning conditions to permissions. Those conditions are aimed at preventing the problems from ever occurring. For example, a local planning authority may impose a condition that can specify time limits within which deliveries to a shop may take place, to avoid traffic congestion or noise sensitivity issues in the vicinity of the development.

Of course, local planning authorities can also use planning conditions to restrict certain uses to particular sites. Where a local planning authority thinks that problems may occur, it can restrict planning permission for a shop to non-food A1 use class only. That could be used, for example, to prevent a hairdresser's becoming a convenience store. By using those powers properly, local planning authorities can prevent the types of conflict that my hon. Friend has mentioned, particularly in residential and more sensitive areas. Similarly, planning permission is still required if a change of use of a building needed significant structural alterations: for example, if the change of use required changing the street frontage of a shop. Those are all important safeguards of the interests of local residents.

Having set that context, let me move on to the specific subject of this evening's debate—the problems that can arise when planning permission is not needed, because the use class order allows one type of shop to be converted into another type without planning permission. Let me explain the background to the use classes order, because its purpose is often misunderstood. The order was introduced to remove unnecessary planning applications from the planning system, and, therefore, to speed up the system. The use classes order groups together uses that have similar land-use impacts and characteristics into classes. Changes of use within a class are not considered to be development and therefore do not

require planning permission. Relevant to this discussion is the A1 use class, which includes a range of different shopping types including corner shops, supermarkets, retail warehouses and post offices. Of course, I accept that two developments, even if categorised in the same use class, may not have exactly the same operating characteristics. Shops, for example, can have different opening or delivery times.

As my hon. Friend pointed out, the planning system grants further flexibility by allowing some changes of use between classes without the need for planning applications. That applies when the impact of the proposed use is considered to be less than that of the existing use. Obviously it did not happen in this instance, but it is an important aspect of the system. Hot food takeaways, pubs, restaurants and financial services such as banks can all convert to shops without requiring planning applications if the impact on neighbours is regarded as being less than that of the existing use. The key difference in this instance is that local authorities have the power to remove that freedom of movement and require planning permission if there is local concern about such a development.

I take the concerns of my hon. Friend's constituents seriously, and I recognise that at times there will be tensions between businesses and their neighbours. However, we must not forget that the planning system cannot deal with all community tensions. The system is often criticised for being slow and bureaucratic. It can create a significant amount of work for local planning authorities; it can also act as a disincentive to development, thus stifling economic and physical regeneration. That can frustrate the legitimate development that we all need. Planning controls should be introduced only when there is a strong case for doing so.

Jane Ellison (Battersea) (Con): In a case in my constituency, the fact that there was no need for a change-of-use permission removed the trigger mechanism that sometimes acts as an early warning in the planning system. A shop that has invested several hundred thousand pounds is three doors from what is about to become a local branch of a chain of supermarkets. Will the Minister comment, or at least reflect, on the fact that the ease with which change of use was allowed, enabling a pub to become a Sainsbury's Local, removed the trigger mechanism that might have informed other local shops, as well as residential neighbours, of what was in the pipeline?

Robert Neill: I will reflect on that, and explain the ways in which we propose to deal with such issues in a moment. The example given by my hon. Friend highlights the balance that must be struck between competition and trading opportunities between different operators in the same area on the one hand, and legitimate planning considerations on the other. Sometimes there appears to be an overlap between the two in the minds of the general public, which is not so easy to translate into planning law.

Let me return to the issue of the impacts of changes of activity that do not require permission. In general, we would expect businesses to operate responsibly, and to be sensitive to the communities within which they operate. When neighbours raise legitimate concerns about development, it is in the interests of businesses—particularly those with a strong community presence, such as supermarket chains—to take them seriously and respond positively.

Local authorities also have wider responsibilities and powers to investigate complaints about problems such as noise. Authorities must take "all reasonable steps" to investigate any complaint in relation to noise. I have no doubt that the local authority cited by my hon. Friend is diligent and well aware of those powers. Authorities are expected to raise the issue with the person or organisation causing the nuisance, giving the details of the complaint and asking for steps to be taken to reduce the noise. If the local authority believes a statutory nuisance is occurring, or is likely to occur or recur, it must take action.

That is where we are at the moment and we do not want to dismiss my hon. Friend's concerns. There may always be individual cases where the balance between avoiding bureaucratic overload by requiring permission for a simple change of use and guarding against unacceptable impacts gives rise to unintended consequences. With more and different types of retail activity and means of dealing with storage, for example, one must be alert to changing circumstances that may not have been anticipated when the regulations were drafted. I have a lot of sympathy for this situation and, as I have indicated, I would hope that the local authorities use powers against nuisance if that is the appropriate route.

The point raised by the hon. Member for West Lancashire (Rosie Cooper) relates rather more to the case of the operation of the rules in relation to temporary permission rather than use classes, but it is a legitimate area of concern. I do not doubt that.

Rosie Cooper: The Local Government Association and local authorities know that supermarkets will breach their planning consent for six or seven weeks each year coming up to Christmas. By the time authorities act, the supermarkets have taken things down and it does not matter. They are flouting the rules and getting away with it. The LGA is looking to us to try to do something about it.

Robert Neill: I understand that, which is why I am about to set out the way in which we will address these concerns. We are keeping the use classes order under review, but at present we feel that the balance that it strikes is about right. However, there are specific issues that need to be examined. We are determined to do more to help local planning authorities and communities shape the places in which people live.

Much of the coalition's work since May has therefore focused on overseeing a fundamental shift of power away from Westminster to councils and communities. We believe that, generally, planning should be a local matter, with planning decisions being made at local level wherever possible. We will ensure that national planning policies support local decision making. In the past, national planning objectives have been set out through a series of planning policy guidance notes, and more recently planning policy statements. These cover a broad range of policy themes and are piecemeal in nature. This is why we said in the coalition agreement that we will publish and present to Parliament a simple and consolidated national planning framework covering all forms of development. This simple and consolidated

[Robert Neill]

framework will set out not only what the Government's economic and environmental priorities are, but how they relate to each other. Such a framework would also set out, in general terms but in sufficient detail to provide clarity, what was expected, both of the planning system and in terms of delivering national priorities.

We will make an announcement—in short order, I hope—as to how we propose to take forward the national planning framework and the implications for specific areas of policy. That is an appropriate vehicle to look at the operation of the PPSs and PPGs. In pulling together a more holistic approach with the national framework, I suggest that that is the appropriate vehicle by which the Government can address what may have been anomalies or circumstances that have arisen since the previous use classes orders were drawn up and to see if what we have now remains appropriate for the future. There may be ways in which we can better achieve a fair and proportionate response to the legitimate needs of development on the one hand and the equally legitimate concerns of the neighbours of those who carry out economic activity on the other. The coalition's proposals for that framework provide a good opportunity for us to address sensibly precisely the issues raised in this debate.

Question put and agreed to.

10.59 pm

House adjourned.

House of Commons

Tuesday 14 September 2010

The House met at half-past Two o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

LONDON LOCAL AUTHORITIES BILL [*LORDS*]

Motion made, That the Bill be now read a Second time.

Hon. Members: Object.

Bill to be read a Second time on Wednesday 13 October.

Oral Answers to Questions

FOREIGN AND COMMONWEALTH OFFICE

The Secretary of State was asked—

Middle East

1. **Mr Matthew Offord** (Hendon) (Con): What recent assessment he has made of the political situation in the middle east; and if he will make a statement. [14846]

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): The launch of direct talks is an important and welcome step in the search for lasting peace and security for Israelis and Palestinians. The parties have been meeting again today in Sharm el Sheikh. We look to Prime Minister Netanyahu and President Abbas to show the perseverance, commitment and courage needed in the weeks and months ahead to achieve a two-state solution.

Mr Offord: I thank the Foreign Secretary for his response. On the day on which the peace talks resume in Sharm el Sheikh, will he tell the House whether he shares my view that the settlements remain a major barrier to peace in the region?

Mr Hague: The issue of settlements will come to the fore very rapidly again, because the immediate challenge is the expiry of the settlement moratorium at the end of this month, on 30 September. The road map makes it clear that Israel should freeze all settlement construction, including the natural growth of existing settlements, and dismantle all outposts built since 2001. Our view is that all settlement activity in the occupied Palestinian territories is illegal and an obstacle to peace.

Sir Gerald Kaufman (Manchester, Gorton) (Lab): But if the Israelis defy President Obama and the Quartet by resuming settlement building on 26 September, is there not a serious danger that that would scupper the current peace talks and make future talks more difficult? Would there not also be a danger, because of the population growth among the Palestinians, of eventually ending Israel as the Jewish state that it proclaims itself to be? Given that the Jewish day of atonement comes before 26 September, will the Foreign Secretary urge the Israeli Government to observe their own religion and repent at this stage?

Mr Hague: The right hon. Gentleman's question encapsulates why it is in Israel's long-term interests to seek agreement on a two-state solution. He is quite right to say that there is a danger to the talks, and therefore to any subsequent talks, and it is vital that all the parties involved are able to get through the end of September with the talks alive. We therefore look to the Government of Israel to take all the steps necessary to renew the settlement moratorium; we have made that quite clear to them. If they were able to do that, it would no doubt contribute enormously to the talks being able to proceed further.

Sir Malcolm Rifkind (Kensington) (Con): Does the Foreign Secretary agree with the recent statement by the ambassador of the United Arab Emirates to the United States that the possession of nuclear weapons by Iran would constitute such a threat to the security of all the states of the middle east that all options—including, if necessary, military options—must be considered if it became necessary to prevent such a situation from arising?

Mr Hague: I have always argued that all options should be kept on the table, and that the option of military action should not be withdrawn from the table. I have also always stressed that we are not calling for that or advocating it. We do not want to relieve any of the pressure that is currently on Iran, but I must emphasise that I am not advocating military action.

David Miliband (South Shields) (Lab): I am sure that we will all be relieved by what the Foreign Secretary has just said at the end of that response. I think it would merit at least an oral statement if he were going to advocate military action.

Can the right hon. Gentleman tell us whether it is true that Mr Frattini, the Italian Foreign Minister, proposed to lead a delegation of European Foreign Ministers, including the Foreign Secretary, to Israel and the occupied territories in the first half of September, but that the Israeli Government would not co-operate with such a visit?

Mr Hague: No, it is not true. Mr Frattini proposed a visit by EU Foreign Ministers at the very beginning of September, but it turned out that it clashed with the direct talks that were starting on the other side of the Atlantic. The proposed trip was therefore abandoned. There has been no proposal for a trip by the EU Foreign Ministers since then. Such a proposal has been reported in one or two newspapers, but I am afraid that it is not accurate.

David Miliband: I am glad to hear that from the Foreign Secretary because the Foreign Office was not able to explain it yesterday. Of course the Israeli Government have said that European Foreign Ministers are standing on the sidelines at the moment, so the question is why a delegation of European Foreign Ministers, including the Foreign Secretary, is not heading out to Israel and the occupied Palestinian territories as soon as possible. Prime Minister Netanhayu said on Sunday that Israel would not extend the moratorium on settlement building and Mr Abbas has threatened to quit the talks if construction resumes. Is it not true that there is a real danger of having an absent Foreign Secretary and not an active Foreign Secretary when the people of the middle east most need an active one?

Mr Hague: No. I know we have little soundbites before the Labour leadership election—we are bound to have them—but in a way this is too serious an issue for things like that. Neither EU Foreign Ministers nor the UK Government are in any way on the sidelines. We have played an important role—a supporting role—to the United States, which has shown such leadership on this issue, in getting these direct talks going. My right hon. Friend the Prime Minister was, I think, held to be instrumental in that through the telephone calls he undertook in the summer with both Prime Minister Netanyahu and President Abbas. I am in close touch with the talks through Secretary Hillary Clinton and Senator Mitchell; indeed, we are in constant touch with all involved. We play a strong supporting role, as do many other EU countries, in the continuation of these direct talks. As the right hon. Gentleman can see from the answers I have given, we are emphatic about what needs to be done next.

Bob Blackman (Harrow East) (Con): Does the Foreign Secretary agree that one of the biggest obstacles to peace in the middle east is the outrages committed by Hamas, which represents such a threat that we need to bolster the moderate ranks of the Palestinians to ensure that a proper two-state solution comes about? If he does agree, what action is the Foreign Office taking to ensure that the moderate elements of the Palestinian cause are promoted?

Mr Hague: We give a great deal of support to those moderate Palestinians and my hon. Friend will be aware of the aid that goes in from here and from the rest of the European Union to help the Palestinian Authority. He is right about Hamas. The terrorist outrage of two weeks ago was specifically designed, in my view, to disrupt the start of these direct talks. Hamas does not want to see these talks succeed and that fact should redouble the determination of all involved to make sure that they do succeed.

Sri Lanka (Detainees)

3. **Katy Clark** (North Ayrshire and Arran) (Lab): What recent discussions he has had with his Sri Lankan counterpart on access to detainees in that country by the International Committee of the Red Cross. [14848]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): I spoke to the Foreign Minister of Sri Lanka on 16 June and again this morning about a variety of issues, including human rights and access to former combatants. We hope to continue the dialogue with the Foreign Minister when he comes to London in October.

Katy Clark: I thank the Minister for that answer. Will he outline the role he believes the international community should play with respect to this issue, as we repeatedly hear concerns about the treatment of detainees and human rights abuses in Sri Lanka? Does he support the call for an international inquiry, particularly into the abuses in the final week leading up to the end of the war in May 2009?

Alistair Burt: Let us separate the two issues. As to detainees, I am sure that the hon. Lady will be pleased to hear that the International Organisation for Migration does have access to the camps. The Sri Lanka Minister told me this morning that negotiations continue on giving the Red Cross access, which we would certainly support. As far as allegations about what happened during the end of the conflict are concerned, we have repeatedly called upon Sri Lanka to make sure that there is a full, independent and credible inquiry so that these past allegations can be raised transparently. That would be in the interest of reconciliation in the future.

Mr Lee Scott (Ilford North) (Con): Will my hon. Friend take up with the high commissioner the issue of why, in my role as the chairman of the all-party Tamils group, I am receiving reports that people who have returned to their homes are still being intimidated, singled out for abuse and are not being treated with the respect that they should be given? Can this issue please be raised with the high commissioner?

Alistair Burt: The number of internally displaced people who have been returned has grown significantly since the end of the conflict, but we remain concerned about reports of abuses of freedom, lack of freedom of expression and continued problems in the north. These issues are raised quite regularly with the Sri Lanka Government and the high commissioner, and the next time I see him, I will certainly make sure that my hon. Friend's concerns are pressed.

Human Rights

4. **Mr Chuka Umunna** (Streatham) (Lab): What steps he plans to take to improve his Department's monitoring of human rights overseas. [14849]

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): Human rights are at the core of our foreign policy. FCO posts overseas monitor and raise human rights concerns wherever and whenever they arise without compromise. I will ensure they continue this excellent work, tackling these challenges in the most effective manner. There will be further improvements in how we monitor human rights, which I plan to announce in a written statement in the coming days.

Mr Umunna: I think we are all very glad to hear of the Government's U-turn on the scrapping of the Foreign Secretary's Department's annual report on human rights and to learn that it is not being sacrificed on the altar of deficit reduction, but can the Foreign Secretary give us some assurances about the substance of the report?

Can he tell us when it is likely to be published, and whether it will be as substantial as the report from the last Government?

Mr Hague: Yes, it will be substantial. There has been no U-turn, only an inaccurate report about what the Government may do. The position is as I described it to the Foreign Affairs Committee in the House last week. The report will take the form of a Command Paper, and it will be detailed and authoritative. I intend it to be laid before Parliament in about March, in line with the practice of the last Government, but it will be accompanied throughout the year by up-to-date online reporting and evaluation of our human rights work and concerns. I hope that, overall, that will provide Parliament with a better service than has been provided in the past.

Sir Menzies Campbell (North East Fife) (LD): While I understand the importance of the monitoring of human rights, does the Foreign Secretary accept that their promotion is just as, if not more, important? What steps are Her Majesty's Government taking with regard to the promotion of the human right of sanctity of life, particularly in connection with countries that appear to be hellbent on barbaric ways of taking people's lives?

Mr Hague: We intervene against the death penalty at every opportunity, in line with long-standing practice in this country. My right hon. and learned Friend will be aware of the strong protests that we have made recently about, for instance, sentences of stoning in Iran, an absolutely barbaric punishment that has no place whatsoever in the modern world. The strong stand that this country has taken on those issues will continue to be maintained.

Mr Ivan Lewis (Bury South) (Lab): We have seen U-turns on the scrapping of the annual human rights report and on the BBC World Service pulling out of Burma, not as a result of pressure from the Liberal Democrats but as a result of the Opposition's highlighting the intentions of the coalition Government. That raises serious questions about whether the Government's commitment to human rights is at the heart of British foreign policy.

May I ask the Foreign Secretary a very specific question? We have already seen £560,000 removed from the Foreign Office human rights and democracy budget this year, and not in terms of future spending review decisions. Can the Foreign Secretary assure the House that there will be no further reduction in funding for that part of the Foreign Office budget this year?

Mr Hague: One would not think that the hon. Gentleman had been a member of a Government who reduced funding for human rights and democracy projects in Iran, Sudan, Zambia, Russia and central Asia, all in the course of the last year. There have been no U-turns on any of those subjects. I do not think that having to correct what appears in *The Guardian* now and again constitutes a U-turn brought about by the Opposition. As for future spending commitments, they will of course be set out in the future, once we have the results of the comprehensive spending review.

South-East Asia

5. **Paul Uppal** (Wolverhampton South West) (Con): What recent assessment he has made of the state of UK relations with countries in south-east Asia. [14850]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): South-east Asia includes some of the world's most important emerging powers, and offers huge opportunities for the United Kingdom. The Government enjoy excellent relations with most countries in the region. Burma is the exception, but we continue to work for democratic change so that its people can realise their potential.

Paul Uppal: Does the Minister not agree that our relationship has been uniquely enhanced by the recent visit by a trade delegation to the Indian subcontinent, and also by the fact that the United Kingdom has been at the forefront of alleviating the floods and stress facing the Pakistani population?

Mr Bellingham: I am grateful to my hon. Friend for raising the subject of the Prime Minister's recent visit to India. It was a huge success, and has greatly enhanced our bilateral relationship. In particular, I warmly welcome the broadly based trade and investment agreement between India and the European Union. As for the Pakistani floods, our heartfelt sympathy goes out to the victims, but I am pleased to say that the Department for International Development has responded very positively by providing £64 million of aid.

Mr Ivan Lewis (Bury South) (Lab): I do not regard deciding to attack Pakistan when in India as a great foreign policy triumph, particularly on the part of a Prime Minister of this country.

When we were in government, we took every opportunity to highlight and campaign against the horrendous human rights abuses perpetrated by the Burmese regime, to demand the release of Aung San Suu Kyi and more than 2,000 political prisoners, and to apply maximum pressure on the international community to challenge that regime. May I ask the Minister what his Government are doing to put pressure on the Burmese regime? Does he accept that the November elections were entirely illegitimate, and that there is a flawed constitution? Can he tell us what progress is being made on an arms embargo against the Burmese regime, and will he guarantee no dilution of the BBC's World Service output in Burma?

Mr Speaker: That was three questions, but I know the Minister will be able to provide a single pithy reply.

Mr Bellingham: The Prime Minister recently met the Foreign Secretaries of India and China to express our concern about Burma and to urge them to use their good offices to push for change. I certainly agree with the shadow Minister, because for elections to take place on 7 November and to be credible in any way Aung San Suu Kyi must be released, as well as 2,100 other political prisoners.

EU Treaties

6. **Henry Smith** (Crawley) (Con): What his policy is on the process for UK ratification of future EU treaties. [14851]

The Minister for Europe (Mr David Lidington): I refer my hon. Friend to my written statement yesterday. The Government are clear that there should be no further transfers of competence or powers from the UK to the EU in this Parliament, and we will introduce legislation to ensure that any subsequent future treaty that proposes to transfer such competence or powers would be subject to a referendum of the British people before it could be ratified by this country.

Henry Smith: I am grateful to the Minister for his reply. Can he elaborate on exactly how transparent the process for deciding on a referendum will be, and will the legislation be drafted in such a way that there will not be undue delay by possible judicial review?

Mr Lidington: The legislation will be drafted to make clear those aspects of the European Union treaties on which the Government would expect to require a referendum were there to be a proposal for change. It will, of course, be possible for people to use judicial review if they wish to challenge a Minister's decision. I think that is likely only in cases where a Minister were for some extraordinary reason—no Minister in the current Government would do this—to wish to deny the people the right to have their say.

Chris Bryant (Rhondda) (Lab): The Minister seemed to get his ratchets in a bit of a twist in his written ministerial statement yesterday. First he said that all ratchet clauses would be subject to primary legislation, then that major ratchet clauses would be subject to a referendum, and then, towards the end of his written ministerial statement, he confessed that there is no agreed definition of what a ratchet clause is at all, so his legislation is a pile of nonsense really. Does he not accept that the real danger here is that, effectively, what he is doing is asking the courts to decide when there will be a referendum or when there has to be primary legislation, because they will be deciding what is a ratchet clause? Some of us would like the Government to opt in rather more frequently, not least to the directive on human trafficking.

Mr Lidington: When the hon. Gentleman sees the Bill, I think he will find that we have very clearly defined those articles of the treaties where a referendum would be required and those where primary legislation would be required. I only wish that the Minister had it in him to welcome the fact—[Hon. Members: "Minister?"] Old habits die hard, I am afraid. I wish the hon. Gentleman would have the grace to recognise that whereas in the Government in which he served decisions to cede powers to the European Union took place on the sofa in No. 10 Downing street, we are ensuring that under this Government it is the British people who will have the final say before any further powers are transferred to Brussels. It will be up to the people, and I wish the hon. Gentleman had as much confidence in democracy and the will of the people as we on this side of the House have.

Chris Heaton-Harris (Daventry) (Con): Has the Minister read last week's interesting and very long speech—a state of the Union address—of the President of the European Commission, Mr Barroso? He calls for own resources to be raised by the European Union. What is the Government's view and will this be subject to the referendum lock?

Mr Lidington: The President of the Commission made his comments in the context of the forthcoming negotiations about the new financial perspectives. The Chancellor of the Exchequer, who will be leading the Government in our approach to those negotiations, has made it clear that we will seek cuts in the European Union budget for the protection of the British rebate and no new European-level taxes.

Kashmir

8. **Steve Baker** (Wycombe) (Con): What steps he plans to take to promote self-determination for Kashmir. [14853]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): It is not for the United Kingdom Government either to prescribe, or mediate in, a solution to the situation in Kashmir. It is the long-standing policy of the British Government that this is a matter for the Indian and Pakistan Governments, taking into account the wishes of the Kashmiri people.

Steve Baker: I am grateful to my hon. Friend for that. Does he agree that many British Kashmiris, particularly those in Wycombe, hold this Government to account for the actions of our forebears in relation to Kashmir and its predicament?

Alistair Burt: I hear the sentiment from my hon. Friend. I must say that the British Government work on, and devote resources to, assisting with conflict resolution in Kashmir, tackling human rights concerns and helping to build confidence on both sides of the line of control. With that confidence, we then continue to ensure that there is a dialogue with the Indian and Pakistan Governments, because the resolution of this long-standing situation is for them, taking into account the wishes of the Kashmiri people.

Robert Flello (Stoke-on-Trent South) (Lab): I recall that the last time I raised the issue of Kashmir on the Floor of the House the Secretary of State was going to refresh his memory on the British Government's position on Kashmir. I hope not only that he has had an opportunity to do that but, given the further increased violence in the region of late, he will consider that it is the position of the British Government to mediate where there are conflict areas, particularly given the historical impact that Britain has had on that region; indeed, it has possibly caused some of the problems there. Will he or his Minister commit to thinking carefully about whether the British Government's position can be changed slightly to ensure that we can mediate in that area?

Alistair Burt: It has been a difficult summer. The television pictures of yesterday's violence in Kashmir shine a spotlight on the situation, but they emphasise, yet again, how important it is for a long-standing resolution

to be achieved. It should be, and the long-standing position of the British Government has been, that this resolution has got to be achieved through dialogue between the Governments of India and Pakistan, taking into account the wishes of the Kashmiri people. What the events of the summer and of yesterday have shown is that there is increasing concern, and that should increase the emphasis that the Governments should place on finding a resolution to the situation.

The Maldives

9. **Karen Lumley** (Redditch) (Con): What steps his Department is taking to ensure political stability in the Maldives. [14854]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): The Foreign and Commonwealth Office has been in regular contact with senior political figures in the Maldives during a difficult summer there and, in particular, during the recent political crisis; I last spoke to members of the Opposition and of the Government in the Maldives on 16 August. We continue to urge parties there to get over their difficulties and their conflicts with each other and not to lose the gains that have been made in democracy since the reforms of 2008.

Karen Lumley: I thank the Minister for that answer. Having spent a great deal of time in the Maldives helping to elect a democratically elected President—*[Interruption.]* Somebody has to do it—*[Interruption.]*

Mr Speaker: Order. I want to hear about the hon. Lady's time in the Maldives.

Karen Lumley: It was great to see President Mohamed Nasheed elected as the first democratic President, and I was proud to be part of that. What practical help can we give the Maldives at this time of constitutional crisis?

Alistair Burt: As well as the informal contacts between parliamentarians, which I am sure bolster a great deal of support in the Maldives, we give practical support through our bilateral programme. We give support to police reform, to civic and electoral voter advice, to media training and to counter-radicalisation work. The Commonwealth is also interested in providing support for judicial and constitutional reform. It may assist stability in the Maldives if a lengthy fact-finding visit were made by a British Minister and, reluctantly, I am prepared to put myself forward for that, should the occasion arise.

EU External Action Programmes

10. **Mr Christopher Chope** (Christchurch) (Con): What representations he has made at EU level on the affordability of EU external action programmes. [14855]

The Minister for Europe (Mr David Lidington): I recently stressed to the High Representative of the Union for Foreign Affairs and Security Policy, Baroness Ashton, the importance of delivering greater efficiency savings from the merger of European institutions with a view to achieving the agreed goal of budget neutrality. Both my right hon. Friend the Foreign Secretary and I will continue to press this point strongly during our contacts in Brussels and with our European colleagues in other capitals.

Mr Chope: I am grateful to my hon. Friend. He refers to budget neutrality, but I understood from an earlier question that we were talking about budget cuts in the EU. Surely my hon. Friend will accept that nothing is going to be acceptable to people in this country except budget cuts in the EU while we have to make severe cuts to our own British diplomatic service.

Mr Lidington: We believe that the External Action Service should operate only in those areas of policy where collective action at European Union level can genuinely add value to the work already being done by national diplomatic services. We will certainly be looking for economy, but I am sure that my hon. Friend would want to see the secondment of national diplomats, including those from the United Kingdom, to the European External Action Service and not to rely entirely on people transferred in from existing European institutions. That will require a short-term spike in expenditure for the EEAS. The High Representative has committed herself to bringing that down as soon as possible and to seeking 10% cuts in her budget as a first priority.

Mr Nigel Dodds (Belfast North) (DUP): Does the Minister not agree that it would be totally unacceptable if the UK's contribution to the EU budget were to rise? Given the fact that we are facing massive cuts in all areas across the board domestically, it must be the case that in this area—and across the board—this country's contribution to the EU must be cut.

Mr Lidington: I think it is important that we seek the greatest possible value for money and economy in expenditure in every aspect of European Union spending, whether that is in one of the relatively small items of expenditure, such as external action, or in one of the large items, such as agriculture.

Tim Farron (Westmorland and Lonsdale) (LD): Is the Minister aware of the enormous cost to the British taxpayer of the United Kingdom's remaining outside the EU's Schengen agreement? Is he aware, for example, that this year there will be four times more Chinese tourists going to Germany than to the UK because of the additional complications that this absence creates? Will he stand up for tourism businesses in the Lake District, the Yorkshire Dales and other tourist venues in the UK and look to engage with Schengen in a more appropriate manner?

Mr Lidington: My right hon. Friend the Home Secretary, who leads for us on these matters, is very clear that the priority for the people of the United Kingdom should be the maintenance of our own domestic controls over our borders and not giving control of immigration policy to European institutions.

Michael Connarty (Linlithgow and East Falkirk) (Lab): I am amazed to find out that Schengen has anything to do with the External Action Service. I certainly welcome the Minister's balanced approach to this matter. In fact,

is it not true that in other parts of the EU the complaint is that there is far too much British influence in the diplomatic corps of the European External Action Service? Surely we must commend that, because it will bring a UK perspective to the actions in the EEAS that we should welcome.

Mr Lidington: The hon. Gentleman is right to say that that complaint is frequently heard in Brussels and in other European capitals. What I would say to those Members of the House, on both sides, who, like me—I freely admit it—voted against the establishment of the EEAS is that now that this body exists we should do all that is within our power to help shape it so that it can be used to give greater leverage to British influence throughout the world.

Ebrahim Hamidi

11. **Mark Menzies** (Fylde) (Con): What reports he has received on the case of Ebrahim Hamidi, sentenced to death on charges of homosexuality in Iran. [14856]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): We are aware of, and we share, the concerns about the case of Ebrahim Hamidi. I last raised the issue with the Iranian ambassador on 18 August.

Mark Menzies: I thank the Minister for his answer, but he must be aware that the great injustice that Ebrahim Hamidi has suffered brings into question Iran's human rights record. I urge my hon. Friend—and through him, the British Government—to do everything he can for this young man and to press Iran to honour its international obligations?

Alistair Burt: I am grateful to my hon. Friend. A number of hon. Members have raised this case with me by letter in the past few weeks. The European Union and the United Kingdom have raised the subject of human rights with Iran some 70 times in the last year. We continue to press Iran to live up to its obligations under the international covenant on civil and political rights. We have joined the international condemnation in the case of Sakineh Ashtiani and of the death sentence against her. We continue to make it clear to Iran that its human rights record is a barrier to its relationship with other nations and that the sooner it moves on this, the better for all of us.

Zimbabwe

12. **Damian Hinds** (East Hampshire) (Con): What his most recent assessment is of the state of the UK's bilateral relations with Zimbabwe; and if he will make a statement. [14857]

14. **Mr Mark Spencer** (Sherwood) (Con): What his most recent assessment is of the state of the UK's bilateral relations with Zimbabwe; and if he will make a statement. [14859]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): We are doing all we can to support the aspirations of the Zimbabwean people to a peaceful, prosperous and democratic Zimbabwe. We will go on working with reformers in Zimbabwe and in the region to maximise the prospects of achieving the reforms needed for properly conducted elections.

Damian Hinds: I am grateful to the Minister for that answer. Does he agree that despite the progress that has been made through the inclusive Government, the situation in Zimbabwe remains critical and it is vital to continue all moves towards free and fair elections? What role can he play, working with the Department for International Development and others in the region, in bringing that day closer?

Mr Bellingham: I am grateful to my hon. Friend for mentioning DFID, because its aid budget to Zimbabwe, at £60 million, is the largest it has ever been. All DFID bilateral funds continue to go through the UN and non-governmental organisations, and regular monitoring and robust processes are in place to ensure that those funds go where they are meant to go. None of the funds go directly to Zimbabwean Government Departments.

Mr Spencer: What can the Government do to ensure that any referendum next year or any future elections are carried out in a free and fair manner? How can we ensure that they are monitored and overseen?

Mr Bellingham: I am grateful to my hon. Friend for his question. Our Government are doing all they possibly can, working with the Southern African Development Community, front-line countries, the UN and the EU. I agree entirely with him: two important polls are coming up next year—the referendum on the constitution and the presidential and parliamentary elections—and it is vital that monitors and observers are in place early on. We must learn the lessons of the 2008 election. They need to be in place early and after polling day they need to monitor the count as well.

Keith Vaz (Leicester East) (Lab): Given the critical situation in Zimbabwe, does it remain the Government's policy that Zimbabwean citizens who have claimed asylum here will be removed to Zimbabwe?

Mr Bellingham: The UK Border Agency is looking to start work on a process aimed at normalising our returns policy to Zimbabwe as and when the political situation develops. However, we are not starting enforced returns yet by any means.

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): The Minister will, I am sure, join me in welcoming the fact that the BBC World Service has recently been able to have a correspondent back in Zimbabwe. Given the important aspects of accountability and information that the BBC World Service brings to Zimbabwe and other parts of the world, what assurances can he give that it will continue to be supported by the Foreign Office?

Mr Bellingham: There are currently no proposals to close any language service. Any such proposal requires ministerial approval and no such approval has been sought or given as yet. There was an article in *The Guardian* that was wholly inaccurate and pure speculation. Discussions are ongoing and there will be a robust

discussion involving the Foreign Office about the World Service's £272 million annual direct grant, but no decisions have been taken. I stress that any closure of a language service requires ministerial approval.

Gareth Johnson (Dartford) (Con): Is my hon. Friend aware that Israel has recently altered its approach to the blockade of Gaza and ensured that there will be an increase of genuine aid—

Mr Speaker: Order. I am sorry, but I am trying to be helpful to the hon. Gentleman. He was standing in relation to a question about Zimbabwe.

Gareth Johnson: I apologise, Sir.

Mr Speaker: It is okay, but another time. We are grateful to the hon. Gentleman.

UK-Iranian Relations

13. **Steve McCabe** (Birmingham, Selly Oak) (Lab): What his most recent assessment is of the state of UK-Iranian relations; and if he will make a statement. [14858]

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): We would welcome improved relations with Iran. Improved relations will come with the Iranian Government engaging in good faith with the E3 plus 3 on their nuclear programme and on improving their increasingly poor human rights record.

Steve McCabe: Iran claims that criticism of attacks on Camp Ashraf refugees and the stoning to death of Sakineh Ashtiani are part of a soft war that the west is waging on Iran. Are we engaged in a soft war, and does more need to be done now to confront that regime's intolerable human rights agenda?

Mr Hague: We are not engaged in a war of any kind, but we want legitimate expressions of opinion to be heard and we want the human rights record of the Iranian Government to be seen for what it is throughout the world, because it is utterly unacceptable to anyone who cares about basic human rights anywhere on earth. I do not call that a war, but certainly, we want those things. The most important thing that we seek is for Iran to negotiate on its nuclear programme with the E3 plus 3—the three leading European nations and the other members of the UN Security Council—so that the danger of nuclear proliferation in the middle east can be addressed.

Robert Halfon (Harlow) (Con): If, as expected, Iran looks as though it will acquire nuclear weapons capability and if all other avenues have been exhausted, will the Government support Israel if she takes military action to deal with that terrible threat?

Mr Speaker: All within the context of UK-Iranian relations!

Mr Hague: I hope, Mr Speaker, that I dealt with that in answer to my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind). I stress that we are taking a twin-track approach to the Iranian nuclear programme. One of those tracks is sanctions, and we agreed in the European Union at the end of July a strong and wide-ranging set of sanctions that puts additional pressure on Iran over its nuclear programme. The other track is to remain open to negotiations about that nuclear programme. It is on that twin track that we must concentrate now.

Detention Camps (Sri Lanka)

16. **Barry Gardiner** (Brent North) (Lab): What recent discussions he has had with the UN High Representative for Human Rights on the situation of Tamils in detention camps in Sri Lanka. [14861]

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): There are still some 25,000 Tamils as internally displaced persons in camps. We maintain a regular dialogue with a variety of NGOs, including UNHCR, about their condition. As I indicated in answer to an earlier question, we also maintain a dialogue with the Government of Sri Lanka in relation to the issue.

Barry Gardiner: My question was specific. It asked what recent discussions there had been, and it asked about the situation of Tamils in those detention camps. I do not believe I got an answer to either of those elements of the question, and I therefore ask the Minister to respond specifically—when, where, what, and what is going to be done?

Alistair Burt: The hon. Gentleman has been assiduous in his pursuance of Tamil constituents' concerns and he has raised these issues before. I indicated that there is a regular and constant dialogue between the Government's representatives in Colombo and UNHCR, and I meant exactly that—it is regular and ongoing. The United Kingdom Government have spent about £13.5 million to support internally displaced persons. We are concerned and our most recent discussions revealed the concerns about the clampdowns on NGO activity with those in the camps. So in answer to the hon. Gentleman's probing about the conditions, we remain concerned. I raised the matter with the Foreign Minister this morning and he is aware of people's concerns. We will continue to do so because if the Government of Sri Lanka are serious about their attempts at reconciliation, these matters must be cleared up and dealt with. The hon. Gentleman is right.

Mr James Gray (North Wiltshire) (Con): The Minister's word "reconciliation" is right after 25 years of appalling civil strife. In addition to the Tamils who are kept in such dreadful conditions in the camps, is he aware that quite a number of Sri Lankans in Colombo and elsewhere who were thought to be vaguely sympathetic towards the Tamils are also in detention without trial? There is huge human rights abuse there as well. Is my hon. Friend addressing that with the new Government?

Alistair Burt: Yes, my hon. Friend is correct. Human rights issues, particularly freedom of expression and concerns about the media, have been raised. There is no doubt that conditions have changed in Sri Lanka and have improved to a degree after the conflict, but the issue, as he says, is just how far that goes. That is why we

are pressing the Government of Sri Lanka. If they meant what they said about reconciliation at the end of the conflict, we all have to see that in practice on the ground, rather than just words.

Siobhain McDonagh (Mitcham and Morden) (Lab): Given the widespread allegations of war crimes during the civil war in Sri Lanka, does the hon. Gentleman agree that the Sri Lankan Government are being unreasonably provocative in appointing as their new high commissioner and deputy high commissioner two of their most senior military leaders, Admiral Wasantha Karannagoda and Major General Paranna Silva, who were responsible for some of the most brutal fighting during the conflict? If he agrees with me, what do the Government intend to do?

Alistair Burt: I am not aware that any representations have been made to the United Kingdom Government in relation to a position of high commissioner. I am aware of the position in relation to the defence attaché. It would be difficult to conceive of a defence attaché without a military background, and that appointment is understood. I have not heard anything about the other position, but the hon. Lady certainly raises an issue. If reconciliation is to be the watchword of the Sri Lankan Government, every appointment that they make will be looked at in those terms. Accordingly, appointments that are conciliatory and go some way towards remedying the tragedy of the conflict are surely rather better, for them and for the rest of the world, than anything else, but these appointments are a matter for the Sri Lankan Government in the first place.

Iran's Nuclear Programme

17. **Mr Stewart Jackson** (Peterborough) (Con): What recent assessment he has made of the implications for the UK of Iran's nuclear programme; and if he will make a statement. [14862]

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): Iran's nuclear programme threatens global security. Iran continues to develop its programme in defiance of UN Security Council resolutions and with a lack of transparency with the International Atomic Energy Agency, both of which are pillars of the international security framework.

Mr Jackson: At the risk of being repetitious, but for the benefit specifically of the Iranian Government, will the Foreign Secretary confirm that our Government are prepared to meet them at any place, any time in order to resolve peacefully the issue of nuclear proliferation?

Mr Hague: The specific offer on the table is for Baroness Ashton, the EU High Representative, to meet representatives of the Iranian Government on behalf of the E3—Britain, France and Germany—and, indeed, on behalf of the other permanent members of the UN Security Council. Of course, all the countries involved are happy to assist in those negotiations, but that is what we would now like the Iranians to do.

Topical Questions

T1. [14869] **Mr Jim Cunningham** (Coventry South) (Lab): If he will make a statement on his departmental responsibilities.

The Secretary of State for Foreign and Commonwealth Affairs (Mr William Hague): His Holiness Pope Benedict will visit the United Kingdom this week, the first such official papal visit to our country and an event of great significance to many people in Britain. It will be a time to celebrate the role of faith groups in our communities and to make common cause with the Holy See on tackling poverty and climate change.

Mr Cunningham: What role is Britain playing in the peace process between the Palestinians and the Israelis? In particular, what is the Foreign Secretary doing to facilitate the delivery of aid to the Palestinians?

Mr Hague: Britain plays an active role in ways that I described in previous questions. In particular, we played an energetic role in encouraging Israelis and Palestinians into those direct talks. We now remain in close touch with what is happening in them—ready to assist in any way—as do so many other European nations.

We are major contributors of aid to Palestinians, and one of our concerns is that there should be a greater flow of goods into Gaza. We welcome the statements that Israel has made, since the Gaza flotilla incident, about improving access to Gaza, but we now want to see that really happen in practice.

T3. [14871] **Andrea Leadsom** (South Northamptonshire) (Con): Will the Foreign Secretary please outline his plans to reinvigorate the Commonwealth? In particular, bearing in mind the historical links between our many countries, will he support the idea of projects, such as one in my constituency of South Northamptonshire, to twin schools in this country and in Uganda?

Mr Hague: Yes. Such decisions are for each locality, but I strongly welcome them. Part of this Government's plan is certainly to reinvigorate, as my hon. Friend says, our approach to the Commonwealth, a subject and organisation that was rather neglected under the previous Government, and I am glad to say that the Commonwealth is now convening an eminent persons group—and even more glad to say that my right hon. and learned Friend the Member for Kensington (Sir Malcolm Rifkind) is one member of that group. We look forward to its report early next year, ahead of the Commonwealth Heads of Government meeting in Australia.

David Miliband (South Shields) (Lab): We have not yet discussed Afghanistan, and, given that 10,000 of our fellow citizens are serving there, it is right that we do so.

The Foreign Secretary has said that he recognises the importance of political reconciliation to end the war in Afghanistan. Does he accept that, almost two months after the conference that he attended in Kabul, Afghan officials are still bickering over who should be in charge of the high peace council that the Foreign Secretary lauded when he came to the House in July? Will he confirm that only a few hundred Taliban fighters have

come in from the cold over the last six months? What is the Foreign Secretary going to do to pour drive, energy and effort into an initiative that, as *The New York Times* rightly said on 12 September, "has badly faltered"?

Mr Hague: The right hon. Gentleman is quite right to raise Afghanistan, which ought to be discussed at every Foreign and Commonwealth Office questions. He is right to refer to the extent of our deployment there and the very hard work that our troops continue to do. I think that he and I agree—I think we are agreed across the Floor of the House—that the political process is of huge importance, as well as the military progress that has been made.

A political reconciliation was what President Karzai received the support of the peace jirga to carry out. It is very important that that should be an Afghan-led process, so the United Kingdom and the United States are very active in supporting the Afghans in leading that process. Has it yet produced results? Well, it has not, but it would be surprising if it had produced results at this stage. The reintegration programme has just begun and the opportunity for political reconciliation now exists. It would be quite wrong to judge the possible outcome of that process from what has happened in just the last few weeks.

T4. [14872] **Dr Daniel Poulter** (Central Suffolk and North Ipswich) (Con): I am sure that the Minister will be aware of—and, like me, very much value—this country's strong links with the Caribbean. He will also be aware that during the economic downturn the Caribbean has struggled as a result of the effect on its tourist revenue and revenue from its financial services industry. That may well affect the Caribbean's ability to police the international drugs trade. What steps will the Minister be taking to support the Caribbean in that policing activity, with specific regard to the overseas territories?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Mr Henry Bellingham): I am grateful to my hon. Friend for raising that matter as I share his grave concerns about drug trafficking in the Caribbean. A staggering 30% of the cocaine on the UK streets passes through the Caribbean. I am pleased to tell him that the Serious Organised Crime Agency is working with Caribbean countries and our overseas territories on both training and mentoring. It is making very good progress.

T2. [14870] **Mrs Louise Ellman** (Liverpool, Riverside) (Lab/Co-op): On 2 September, Karel De Gucht, the European Commissioner for Trade, told a Belgian radio station that there was little point in trying to engage in rational argument with Jews and that peace talks between Israelis and Palestinians were doomed to failure because of the power of the Jewish lobby. Is the Foreign Secretary surprised to hear those sentiments and has he heard them before?

Mr Hague: I have not heard them before. I totally disagree with those sentiments. I think that the direct talks between Israelis and Palestinians now represent a genuine opportunity. There is a long way to go, and one should not artificially raise expectations about the results of those talks, but they have begun in a very good atmosphere. If the quote that the hon. Lady gives from the European Commissioner is correct, I flatly disagree with it.

T5. [14873] **Amber Rudd** (Hastings and Rye) (Con): Does the Foreign Secretary think that there are hopeful signs in the relationship between Kosovo and Serbia? Will he give us an update on the current state of the proposed resolution?

Mr Hague: There are hopeful signs, I am glad to say. I visited Belgrade two weeks ago to ask Serbia to join a common European Union resolution in the UN General Assembly, rather than sponsoring a resolution of its own. The resolution asked the EU High Representative to facilitate practical talks and a constructive dialogue between Serbia and Kosovo. I am glad to say that, because of pressure from across the European Union, Serbia agreed to do that, and the resolution was carried unanimously in the General Assembly last week. At last, there can now be the beginnings of a dialogue between Serbia and Kosovo—an important step to bringing peace and security to the Balkans.

T7. [14875] **Cathy Jamieson** (Kilmarnock and Loudoun) (Lab/Co-op): As the Foreign Secretary will be aware, Chernobyl Children's Life Line, the UK charity, provides support for child victims of the Chernobyl disaster. One way in which it does that is to bring children to the UK for recuperative breaks, including regularly to my constituency of Kilmarnock and Loudoun. Unfortunately, there increasingly seem to be problems in allowing safe and easy passage for children coming from Ukraine. Will the Minister agree to meet Her Majesty's ambassador to Ukraine to discuss how some of those issues can be dealt with and ensure that the situation is ameliorated in the near future?

The Minister for Europe (Mr David Lidington): I am very happy to follow up the concerns expressed by the hon. Lady and to take advice from Her Majesty's ambassador in the way that she suggests.

T6. [14874] **Andrew George** (St Ives) (LD): As we heard earlier, many millions of people depend on the BBC's World Service, which achieves its very impressive and impartial global reach on a budget that is roughly equivalent to that for three and half fighter jets. Will Ministers at least acknowledge the importance of this vital service to the United Kingdom as the comprehensive spending review nears its completion?

Mr Hague: Yes, I completely agree with my hon. Friend—it is an absolutely vital service for the United Kingdom and an absolutely vital service to many parts of the world. I have often spoken about its great value to this country. Of course, in the current situation all parts of the public sector have to be scrutinised for value for money, and the BBC World Service itself believes that it is possible to make economies without necessarily affecting the services it provides. We are looking at that in the comprehensive spending review. However, my hon. Friend will find that I am a very strong supporter of the work of the World Service, so he should not believe some of the wilder rumours that fly around.

T9. [14878] **Ian Austin** (Dudley North) (Lab): Which of the Prime Minister's foreign policy achievements is the Foreign Secretary most proud of—belittling Britain's heroism during the second world war, destabilising the tense relationship between India and Pakistan, or enraging the Israelis by calling Gaza a prison camp?

Mr Hague: I am proud of the fact that wherever the Prime Minister goes he forges very strong relationships with the countries that he and I visit, and they often find his diplomatic good sense, his openness and his ability to talk to people a very refreshing change from his predecessor.

T8. [14876] **Margot James** (Stourbridge) (Con): With the continuing focus on Afghanistan, we must not be distracted from the other countries where al-Qaeda is reported to be active. To that end, could the Minister update the House on the progress that might have been made with the Friends of Yemen initiative, which Britain is leading?

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): I am grateful to my hon. Friend for that question. She is absolutely right: Yemen is increasingly important in concerns about counter-terrorism. The Friends of Yemen initiative has been rekindled since the current Government came to office, and there is an important meeting in New York on 24 September. This is a group of nations that has come together in order to support Yemen, recognising that it faces economic and security challenges. The United Kingdom is already doing effective work bilaterally, but we are also working increasingly with other nations to assist on economic reform and political reform and dialogue, and to give continuing support on counter-terrorist activity to ensure that al-Qaeda does not get a grip in that crucial region.

Mr Tom Clarke (Coatbridge, Chryston and Bellshill) (Lab): Is the Foreign Secretary aware that there are still very strong concerns about human rights abuses in Darfur and more widely in Sudan? Would he care to brief the House on the Government's view of the current situation and what initiatives they might have taken?

Mr Hague: The right hon. Gentleman is absolutely right. We have long-standing concerns about Darfur across the House. One of the things we are doing is to try to ensure that we retain a strong peacekeeping force in Darfur; the withdrawal of any of that threatens to make these problems even worse. We support, of course, the indictment that the International Court of Justice has put forward on the President of Sudan. We are doing a lot of work on the south of Sudan and the prospects for a referendum there, including all the arrangements for that and the controversy and political disputes that it may bring. Our ambassador in Khartoum is well engaged in all these matters, and we will continue to be very vigilant about them.

Philip Davies (Shipley) (Con): Given the Government's support for Turkey's membership of the EU, what assessment have they made of the extra budget contributions the UK will be asked to make, and the additional immigration that there will be into this country, if Turkey joins the EU—or are they in favour of Turkey's membership of the EU at any price?

Mr Lidington: The issues that my hon. Friend mentions are obviously important ones that would have to be addressed in the course of Turkey's accession negotiations. However, the fact that Turkey now has an economic growth rate of 5.5% per annum compared with just 1% per annum in the eurozone indicates that Turkey's membership of the European Union would help to benefit the prosperity of the British people and help, in some measure at least, to assuage the understandable concern that he expresses about migration.

Mr Andy Slaughter (Hammersmith) (Lab): Palestinian and independent sources estimate that 50,000 settler homes are under construction in East Jerusalem, where the moratorium does not apply, and more than 2,500 in the west bank, where it supposedly does. If the Government believe that the freeze should be extended to East Jerusalem and beyond September, but the Secretary of State is not prepared to go to Israel to say that, what is he doing to ensure that those two things happen?

Mr Hague: The Israeli Government are in no doubt about our views, which I stated at the beginning of Question Time. We regard all settlement in the occupied Palestinian territories as illegal, and we clearly want the moratorium on settlements to continue. No one can be in any doubt that that is the very emphatic view of the United Kingdom, which is regularly expressed to Israeli Ministers, and a view that I believe they will receive from most of the world. I hope that they take heed of it.

Duncan Hames (Chippenham) (LD): I welcome the Minister's earlier remarks about political prisoners in Burma. Will he now use his good offices to seek to persuade our EU partners to back United States-United Kingdom calls for a UN commission of inquiry into war crimes and crimes against humanity in Burma?

Mr Bellingham: The UK supports the UN special rapporteur's call for the UN to consider a commission of inquiry, and we are working to build international support for that and putting a lot of emphasis on it. I am grateful to my hon. Friend for his question.

Ian Paisley (North Antrim) (DUP): Will the Foreign Secretary take the opportunity to update the House on the kidnapping and unlawful detention of the Israeli soldier Gilad Shalit? What steps can the UK Government take to secure his release?

Mr Hague: Obviously, we are not able directly to secure his release, but that matter is one of the deeply aggravating factors that mean that Gaza remains such an immense international problem. We have called repeatedly for the release of Gilad Shalit and will continue to do so, and the international community will continue to work towards that end. If Hamas and other forces in Gaza were remotely interested in a political settlement and in coming to terms with Israel and the rest of the international community, they would wish to do that.

Mark Pritchard (The Wrekin) (Con): Turning to Mexico, I congratulate my right hon. Friend the Secretary of State on the British Government's support for the Mexican Government's fight against narco-terrorism, human trafficking and drug trafficking. May I encourage him to liaise with the Mexican Congress to ensure that it amends the constitution so that the Mexican police structures are streamlined to become more effective and efficient and provide self-help for Mexico?

Mr Bellingham: I am grateful to my hon. Friend for his question, because we support the Mexican Government's efforts to combat transnational organised crime. We have done so on a financial basis and also through a number of key law enforcement exchanges and projects.

Andrew Gwynne (Denton and Reddish) (Lab): Given Iran's support for organisations such as Hezbollah, what actions are the Government taking to prevent nuclear proliferation across the wider middle east, particularly from Iran into Syria and from Syria into Lebanon?

Mr Hague: As the hon. Gentleman will know, the whole EU has joined in very strong sanctions on Iran, backing up UN Security Council resolution 1929, which imposes obligations on all UN members to take various actions to prevent nuclear proliferation. The powers given under such UN resolutions include responsibilities and powers to interdict suspect shipping, and one or two instances of that have occurred. The UK takes part in that and will encourage other countries to do so. Nuclear proliferation is one of the biggest threats to the future peace of the world, and we take our responsibilities very seriously.

Billy Wright Inquiry

3.33 pm

The Secretary of State for Northern Ireland (Mr Owen Paterson): With permission, Mr Speaker, I would like to make a statement. Today I am publishing the report, which I received yesterday, of the Billy Wright inquiry, set up by the previous Government to investigate the death of Billy Wright in the Maze prison on 27 December 1997. I thank Lord MacLean and his panel for their work on the report.

The inquiry was established following the recommendation of Judge Cory that there was sufficient evidence of collusive acts by the Northern Ireland prison authorities to warrant the holding of a public inquiry. The inquiry was asked to determine whether the state facilitated, or attempted to facilitate, Billy Wright's death, whether acts or omissions by the state were "intentional or negligent", and "to make recommendations".

The panel's conclusions are clear and unequivocal on the central issue of collusion. There was no state collusion in the murder of Billy Wright. The panel finds that

"We were not...persuaded that in any instance there was evidence of collusive acts or collusive conduct."

However, the panel concludes that

"some...actions did, in our opinion, facilitate his death."

The report details a number of serious failings prior to Billy Wright's death. The panel is clear that where failings are identified, they were the result of negligence rather than intentional acts.

The panel criticises specific decisions taken in relation to the prison. Specifically, the panel finds that

"the decision to allocate Billy Wright and the LVF faction to H Block 6 in April 1997 alongside the INLA prisoners was a wrongful act that directly facilitated"

his murder.

The panel also makes a series of criticisms of the management and operational running of the Maze prison at the time. Wrongful omissions identified by the panel included the

"failure...to strengthen the roof defences...failing to ensure that the exercise yards...were secured and checked each night"

and the failure to carry out a "full risk assessment" before the Loyalist Volunteer Force prisoners were returned to H block 6 in October 1997. Overall the panel identified

"a serious failure on the part of the NIPS and its Chief Executive to deal with recognised management problems in HMP Maze in 1997."

The Cory report covered a number of issues relating to the day of Billy Wright's murder, including the malfunctioning of a camera and the standing down of a guard in the observation tower. With two exceptions, the panel conclude that

"none of these occurrences facilitated the murder of Billy Wright".

In relation to Billy Wright being called by name for his visit, as was "the practice", the panel

"do not draw any sinister conclusion from this fact but conclude that it did assist his murderers".

The panel also finds that the

"cutting of the hole in the fence alongside A Wing prior to 27 December undoubtedly facilitated the murder of Billy Wright."

The panel makes a number of conclusions relating to intelligence received prior to Billy Wright's death, in particular that the Royal Ulster Constabulary's failure to communicate a key piece of intelligence was a

"wrongful omission which facilitated the death of Billy Wright in a way that was negligent rather than intentional."

The report is also critical of the failure to disclose, and in some cases the destruction of, documentary evidence by institutions and state agencies. Although the panel finds that the Northern Ireland Prison Service supplied

"the available documentary evidence which allowed the Inquiry to fulfil its Terms of Reference",

it is clear that files were destroyed, for which the NIPS apologised unreservedly in its submissions to the inquiry. In relation to the Police Service of Northern Ireland, the report notes

"the lack of adequate and effective systems for information management, dissemination and retention with the added element in certain cases of a suspicion that this amounted to deliberate malpractice".

Those are serious and profound failings. The NIPS has already accepted negligence in the civil proceedings brought by the Wright family in 2002. The prison service told the inquiry in its closing submission that it was a matter of profound regret to the service and its employees that Billy Wright was murdered while in custody. It apologised to the Wright family for any failings that were exploited by the murderers. I reiterate that on behalf of the Government today. There was no collusion. But, as the panel makes clear, Billy Wright was in the

"protective custody of the state"

at the time of his death. Whatever horrendous crimes Billy Wright or the LVF committed, his murder in a high-security prison should never have happened. It was wrong and I am sincerely sorry that failings in the system facilitated his murder.

There are three recommendations in the panel's report. They cover the retention of prison records, whether any relevant lessons can be learnt for HMP Maghaberry, and whether a process similar to the Patten reforms of the RUC should be established for the Northern Ireland Prison Service. As the House is aware, prisons in Northern Ireland are now in the main a devolved matter. I will meet Justice Minister David Ford on Monday to discuss these recommendations.

It is of course important to recognise the context to Billy Wright's death and the conditions in the Maze at the time. The circumstances of the Maze were exceptional, with 500 extremely dangerous terrorists belonging to various rival paramilitary organisations housed within the prison. A large number of the prisoners were convicted of the most heinous crimes and, as the Minister who then had responsibility for prisons, Adam Ingram, said in 1998:

"The Maze is unique. There is no other prison anywhere in the democratic world that has such a concentration of terrorist murderers".

There is no doubt that those charged with running and overseeing the prison faced an incredibly difficult challenge, and for the most part that challenge was met.

The panel acknowledges the

"organisational and personal pressures and the valiant way in which many staff responded."

Any failings in the management of the Maze identified in this report should not detract from the enormous courage and sacrifice that members of the Northern Ireland Prison Service made during the troubles. Let us not forget that 29 members of that service were killed during the troubles for carrying out their duties. Many more were injured in the line of duty. And as the report states, many of the families of prison officers had

"to move home because of threats made against them."

Nor should we forget that responsibility for Billy Wright's death lies with the INLA and the three individuals convicted of his murder. I condemn their crimes absolutely. There was never any justification for the brutal terrorist campaigns that the INLA, the Loyalist Volunteer Force and others waged. I am acutely conscious of the enormous suffering that such terrorists have caused.

The House will be well aware of the controversies over the cost and length of public inquiries in Northern Ireland. This inquiry has cost more than £30 million and lasted more than five years. Our views on these matters are well documented. Let me reiterate to the House, as my right hon. Friend the Prime Minister has done, that there will be no more costly and open-ended public inquiries.

The report is a clear account of the shortcomings in the management and running of the Maze at the time of Billy Wright's death. His murder should never have happened. But any allegations that the state colluded in this violent killing have now been examined and rejected. I commend this statement to the House.

Mr Shaun Woodward (St Helens South and Whiston) (Lab): I thank the Secretary of State for an early copy of his statement and join him in paying tribute to the inquiry chairman, Lord MacLean, his panel, the supporting law officers and officials. I also thank the Secretary of State for allowing hon. Members to read the report in advance of his statement.

We join the Secretary of State in putting on record our sincere thanks to the many brave men and women of the Northern Ireland Prison Service, the Royal Ulster Constabulary and the Police Service of Northern Ireland, many of whom gave their lives in the course of the troubles.

This has been an important inquiry. Whatever the context of the troubles, and whatever the crimes Billy Wright had committed—which led to his serving a custodial sentence—nothing should excuse or condone the terrible events two days after Christmas in 1997 that led to his murder while in the protective custody of a high-security prison. I share the Secretary of State's expression of sorrow for the events and failings that happened.

Although the report addresses some of the so-called irregularities, we note Lord MacLean's final paragraph:

"To our regret no explanation emerged in the evidence as to how the two firearms were introduced into the prison and put into the hands of his INLA murderers."

The absence of an explanation is extremely serious. Furthermore, it has potential implications for current security policy in Maghaberry. Is the Secretary of State satisfied that all the lessons on security in prisons have been learned, especially given the events of the past 12 months?

In his recommendations, Lord MacLean observes that in 1997 the Maze was the sole prison in Northern Ireland holding the most dangerous terrorist prisoners. Given that today Maghaberry is the sole maximum security prison, can the Secretary of State tell the House what assessment he has made of the current policy for accommodation?

This inquiry, which, significantly, was converted to be held under the Inquiries Act 2005, and is therefore fundamental evidence of the good faith and efficacy of the Act, is extremely important to the family of Mr Wright. The inquiry needed to determine whether any wrongful act or omission by the prison authorities or other state agencies contributed or led to the murder of Billy Wright—or, as others have put it, whether there was collusion. The inquiry's conclusion is very clear. Crucially, it was not persuaded by the evidence it was able to obtain

"that in any instance there was evidence of collusive acts or collusive conduct."

The Secretary of State accepts this, and so do we.

In accepting the inquiry's firm conclusion that there was no collusion, however, the Secretary of State will have noted Lord MacLean's concern to qualify Judge Cory's definition of the word "collusion", expressing concern at the "wide definition" used by Judge Cory. How does the Secretary of State reconcile these different definitions, especially given the possibility that further inquiries might also qualify the definition, the consequences of which might allow some to draw contradictory interpretations, and even contradictory conclusions?

At Weston Park, the British and Irish Governments agreed to look into the possibility of public inquiries into several cases of alleged collusion. The inquiry into the murder of Pat Finucane has not yet been established. The House will know that when I was Secretary of State for Northern Ireland, we made it clear that it would be in the public interest to make an urgent decision on how to proceed with the Finucane inquiry once, and as soon as, Lord Saville had produce his inquiry.

The Government handled the publication of the Saville inquiry with great dignity, sensitivity and skill. Three months have now passed. In his statement today, the Secretary of State quoted the Prime Minister's words that there would be no more costly and open-ended public inquiries, but he missed out the qualification that the Prime Minister used in his statement on Lord Saville's report. So in the light of the Secretary of State's words today, is he effectively telling the Finucane family that they will not have an inquiry?

The Secretary of State rightly sets great store by the work of the Historical Enquiries Team. However, where we differ is in the belief that the HET can deal with all the problems of the past. He must appreciate from the inquiry published today that the HET would have neither the budget nor the resources to mount an investigation such as the one into Billy Wright's murder. This inquiry alone would have exhausted the entire budget of the HET, which is now tasked with looking at several thousand unsolved deaths and murders.

That brings us to the nub of the issue. Most of the families of those who died in the troubles simply want to know the circumstances of the deaths of their loved ones, and so bring closure to terrible grief and tragedy. Northern Ireland cannot be held in the grip of its past,

[Mr Shaun Woodward]

but it will not be released from that grip just because the British Government say so. Reconciliation will require a process—and a process for everyone—but one that must recognise that no one size can fit all. Closing down the inquiry route for all, without having established a proper alternative, resourced and adequately funded, would be to take a serious risk with the stability not just of the politics, but of the lasting peace of Northern Ireland. On that, the Secretary of State should be cautious. I urge him to reflect carefully.

Mr Paterson: I thank the shadow Secretary of State for his opening comments. He asked a number of questions. First, on the lessons for prisons, he played a huge part in ensuring that prisons were devolved. It is not for me to make judgments today about the comments in the tribunal's report. I have a meeting with the devolved Minister, David Ford, on Monday, and I will go through those recommendations with him. The same applies to the right hon. Gentleman's questions about Maghaberry. There are 70 separated prisoners in Maghaberry at the moment, which is an enormous contrast with the concentration of 500 prisoners in the Maze in 1997. Again, however, if there are lessons to be drawn from today's report, they are to be drawn by the devolved Minister and those who work under him, and then put into practice.

On collusion, the right hon. Gentleman quite rightly pointed out that there is a contrast between Judge Cory's definition, which ran to 765 words, and the shorter version, which Lord MacLean came up with. For the benefit of the House, let me read the concise definition of collusion that Lord MacLean came up with in the report:

"For our part we consider that the essence of collusion is an agreement or arrangement between individuals or organisations, including government departments, to achieve an unlawful or improper purpose. The purpose may also be fraudulent or underhand".

That is a good distillation of what Judge Cory was aiming at. We have to take the definition given by the tribunal in the report, and the report was quite clear: there was no collusion in this case.

The right hon. Gentleman asked about the Finucane case. As with the last time he raised the issue, I have written to the Finucane family. He wrestled with the problem when he was in office, and although I am fully aware of the difficulties and sensitivities associated with the case, it is right that I talk to the family first, before deciding how we proceed further.

The right hon. Gentleman then talked about the past. He quite rightly contrasted the £30 million spent on the one death that we are discussing today and the £34 million that was the original budget, over six years, for the HET, which is looking into 3,268 deaths. My view is that this asymmetrical approach to the past, with an extraordinary intensity of effort put into a small number of cases, is not fair and is invidious. I hope that we will get the same reaction today that we had to Saville—that it was an effort well spent—but for the future, as the right hon. Gentleman knows, there is no consensus on how we handle the past.

The right hon. Gentleman called for submissions reacting to the Eames-Bradley report, which he received in October and which, in fairness to us, we published in the summer. I am listening to parties in this House across the board, and the Minister of State and I are going round Northern Ireland talking to numerous people and groups. Sadly, however, as he saw from those replies to Eames-Bradley, there is just no consensus. It is not for us, as the Westminster Government, to impose one; rather, it is our task to try to find a way forward in close collaboration with local politicians and local groups. That is how we intend to approach the past.

Mr Laurence Robertson (Tewkesbury) (Con): I, too, thank the Secretary of State for advance sight of his statement and the report. While acknowledging the mistakes that have been made—mistakes that are highlighted in the report—I join him in paying tribute to the many prison officers who have worked against a background that has not been seen on the mainland or in many other countries. Indeed, 29 prison officers lost their lives—28 of them outside the prison, which shows the danger that they faced as they went about their work.

Does the Secretary of State agree that this report, and the Saville report on Bloody Sunday, highlight the waste involved in the years of the troubles, and the waste that terrorism brings in terms of lost lives and wasted opportunities? Does the report not point to the fact that the way forward for Northern Ireland must surely be through peace and democracy?

It is difficult to bring closure when there have been so many deaths in Northern Ireland, but relatives involved with Bloody Sunday, and now those involved with the Billy Wright report, have received some form of closure. There are, however, many crimes, including Omagh, that have not been properly investigated or been the subject of such a report. Will the Secretary of State tell us what he intends to do about that?

Mr Paterson: I thank the Chairman of the Northern Ireland Affairs Committee for his comments, and commend the Committee for the work that it does for Northern Ireland. He is absolutely right to say that the more we go into the details of these cases, the more apparent the traumatic waste of the troubles becomes. We would like to work with him and his Committee as we seek a way forward on handling the past.

On the question of Omagh, I shall be having a meeting with the relatives affected by that appalling atrocity reasonably soon. As I said earlier, it is our intention to talk to as many people as we can over the coming months, to see whether we can find a means of handling the past that attracts broad support. Sadly, however, I am fully conscious that however hard we try, we will not come up with something that pleases everyone.

David Simpson (Upper Bann) (DUP): I thank the Secretary of State for this report and for his comments today. I want to pay tribute to Mr David Wright, Billy Wright's father, who is one of my constituents; the family as a whole lived in my constituency. David Wright went the extra mile to try to find the truth of how his son died. No matter what his son was in prison for, he was the responsibility of Her Majesty's Government and the Northern Ireland Prison Service.

We got the report this morning. It contains 700-odd pages, and even Einstein could not have comprehended it all in the given time. It highlights to me, however, the difficulties that existed at that time in the prison. I pay

tribute to the prison officers, who have done a sterling job down through the years, but the senior management of the Prison Service have some questions to answer. Will the Secretary of State tell us what confidence he can give to the people of Northern Ireland in relation to the Prison Service going into the future, and whether any of the senior management who are still alive will pay a price for this?

Mr Paterson: I thank the hon. Gentleman for his comments, and I endorse his feelings for his constituent, Mr David Wright, whom I met a couple of weeks ago. He has battled staunchly to try to find out how his son died. I also echo the hon. Gentleman's comments, and those of the Chairman of the Select Committee, about those who work in the Prison Service, who were given great praise in the report.

As for the future of the Prison Service, that matter is now in local hands. It is down to the local Justice Minister, who is accountable to the Assembly and sits on the Executive. I will sit with him on Monday and we will go through the very serious failings that have emerged from the report—which are, of course, from another era—and through its recommendations. What happens next, however, is very much down to the local Minister, working with local politicians.

Mark Durkan (Foyle) (SDLP): I too have met David Wright; unfortunately, I never met Billy Wright, but I too felt David Wright's pain as a father. I have also met many victims of Billy Wright and the LVF. We remember them today, just as we should remember all the victims of all the terrorism of the INLA, who will have very mixed feelings on a day like today.

The Secretary of State has told us in the statement that the report emphatically rejects the idea of collusion. But does he not agree that that is partly because the report relies on the fact that the word "collusion" was not in the terms of reference for the inquiry and also because it specifically demurred from Judge Cory's definition of collusion—a definition that was, of course, clearly embraced by the police ombudsman in the recent report about Claudy?

As for the findings, the report identified six wrongful omissions by the Northern Ireland Prison Service, which the panel say facilitated the murder or death of Billy Wright. Three further findings of wrongful omissions were identified that indirectly facilitated his murder, as well as two wrongful acts by the NIPS, one of which is held directly to have facilitated the murder, and one serious failure on the part of the Prison Service and its chief executive, involving a decision with ministerial knowledge, with conclusions attached to that to the effect that wrongful acts or omissions indirectly facilitated the murder. One Maze prison practice was concluded to have assisted the murder; one further prison failure undoubtedly facilitated the murder; and one wrongful omission by the Royal Ulster Constabulary that facilitated the murder was held to be negligent rather than intentional. In relation to the same issue, there was one most unfortunate conclusion against the security service. Yet all that adds up to "no collusion", so what does it add up to?

Mr Paterson: I am grateful to the hon. Gentleman for his question. I have to remind him that we did not commission this inquiry and we did not set the terms. We received it yesterday afternoon and we have come straight to the House to publish it. The hon. Gentleman quite rightly lists the very severe criticisms of factors that led to the murder of Billy Wright in prison, which were serious failings that should not have happened to any British citizen in protective custody in a high-security prison. I have been open about that and I have sincerely apologised on behalf of the British Government. In fairness to ourselves, we have to take the report as commissioned and as it has been presented to us, and under those terms, the tribunal is quite clear that there has been no intent of collusion and no act that could be regarded as collusive either by commission or omission.

Mr Nigel Dodds (Belfast North) (DUP): For a citizen to be murdered while in the protective custody of Her Majesty's Government is shocking and disgraceful. When one considers that that person was murdered as a result of actions and omissions by agencies of the state, it is all the more shocking and disgraceful. Clearly, there are still unanswered questions, not least about how firearms came to be in possession of the killer. As to the missing and destroyed files and documents referred to—they were destroyed by both the PSNI and by the Northern Ireland Prison Service—to what extent is the lack of those documents and files a contributory factor in the inability to get to the truth of what really happened on that day?

Mr Paterson: The right hon. Gentleman makes a very good point—that it is most regrettable that a large number of documents were destroyed. It is wrong, and the report goes into some detail to show that a large amount of documentation was destroyed or lost. The report goes on to say, however, that nothing was found to suggest anything "sinister" in the document destruction. We should not forget that this was an inquiry into whether there was collusion. Did the British state do something deliberate or not do something by omission that led to the murder of Billy Wright? Having looked at more than 30,000 pages and after 152 days of hearings, the inquiry's conclusion was that there was no collusion. We have to take the report as it has been presented to us.

Ms Margaret Ritchie (South Down) (SDLP): I thank the Secretary of State for his statement. As my hon. Friend the Member for Foyle (Mark Durkan) has said, none of us should forget the pain and suffering of many people at the hands of paramilitaries in Northern Ireland over the past 35 years. We must never forget the actions, either direct or indirect, of the late Mr Wright, which resulted in the loss of life in the general Portadown-Craigavon area, or his actions in relation to the whole Drumcree crisis. We must also not forget the pain and suffering of his father and his family, because those events resulted in his death, which should never have happened.

Will the Secretary of State outline the advice and recommendations that he will give Minister Ford when he meets him next week, with due reference to a possible commission to produce a root-and-branch review, and to the systemic failure of the management of the Northern Ireland Prison Service? There was no conjunction between policy and operation. Will the right hon. Gentleman also tell us what efforts he will make to assuage the fears of Mrs Finucane and her family, and the Ballymurphy families, who are also suffering at this time and who are seeking truth and justice in relation to the deaths and murders of their loved ones?

Mr Paterson: I wholeheartedly endorse the comments of the hon. Lady and her hon. Friend the Member for Foyle (Mark Durkan). People suffered at the hands of the INLA, the LVF and the Ulster Volunteer Force and I wholeheartedly condemn those who caused that suffering. We should not forget that it was terrorists who caused those deaths.

When I meet the Justice Minister on Monday, I will go through the recommendations in the report. However, they are not for me to impose. That is what devolution is all about. Devolution is in the hands of local Ministers. We will have a thorough and open discussion, because, as the hon. Lady says, the facts involved are shocking, but we should also bear in mind that those facts date from a long time ago, and concern an institution that has long since closed. What I have seen leads me to believe that there is no comparison between the Northern Ireland Prison Service today and the service that struggled to handle the extremely difficult circumstances of holding 500 determined murderers in the Maze.

The hon. Lady asked briefly about the Finucane and Ballymurphy cases. I am due to have meetings with those concerned, and I think it would be wrong for me to jump the gun before I have met them.

Mr Jeffrey M. Donaldson (Lagan Valley) (DUP): The Maze prison, where the murder occurred, is in my constituency. I well recall the events, and the subsequent inquiries and investigation by the police. I am concerned about the fact that the report does not identify how the weapons were brought into the prison. That remains a key issue. All the other failings were important, but it is doubtful whether the murder could have occurred had those weapons not been available to terrorists in what was reputedly the most high-security prison in Europe. I do not think that we can allow the report to pass without further inquiry into how the weapons came to be in the possession of the INLA terrorists.

There will also be doubts in many people's minds today about the series of events leading up to the murder of Billy Wright. I condemn murder, whether by the LVF or by any other paramilitary or terrorist organisation. My thoughts are, of course, with the victims, but Billy Wright's family are entitled to know the truth of what happened. In particular, his father, David Wright, is entitled to know what happened to his son. I do not believe that the report gives us that.

There are too many coincidences, too many happenstances, too many things that went wrong all at the same time, all of which contributed to the murder. Many of us are left with more questions than answers in our minds today.

Mr Paterson: I am very sorry that the right hon. Gentleman is not happy with the result of this report, after an investigation by a senior judge and his tribunal with its highly respected panel, and with more than 30,000 pages of evidence having been looked at. Obviously, it is also very regrettable that some of the details have not emerged. How the guns got into H block 6 is still not clear. That highlights one of the sad facts about trying to arrive at a system to look at the past: in some cases we just will not get to those final details. This may be one of those cases. After spending £30 million and following six years of investigation by some of the most experienced lawyers in the western world, we have not got to one of the key details: how the guns were smuggled into the H block. As we look ahead, I am afraid that we are going to have to accept that, in respect of some of these past cases, we simply will never know.

Lady Hermon (North Down) (Ind): I wonder whether the Secretary of State will address a specific issue that was raised in a local Northern Ireland newspaper this morning. Was there any evidence at all that the RUC or MI5 had prior warning that the INLA intended to murder Billy Wright but failed to take action to prevent the murder? Was there any shred of evidence to support that contention?

Mr Paterson: No, there was no evidence of a clear plan, but there is strong criticism that certain intelligence reports—particularly one in April—were not passed on and that the systems of transmitting data and intelligence were not good enough.

Ian Paisley (North Antrim) (DUP): I thank the Secretary of State for the statement. Does he not feel incredibly short-changed by this £30-million report that has certainly made lawyers extremely wealthy but has done very little to provide us with any more answers to questions than when this entire sorry saga commenced, and does he agree that if we accept his analysis that we will never actually get to the truth in all of this, all we can conclude about this report is that it is a whitewash?

Mr Paterson: We inherited a series of inquiries commissioned by the previous Government, and as the incoming Government all we can do is face up to them and publish them as swiftly as possible. In respect of this case, the inquiry was set the clear remit of looking into whether the British state colluded. It has run on at considerably more expense and for considerably longer than was originally planned, but we have immediately come forward and presented it to the House in the very narrow window of Parliament sitting for these two weeks in September, and the hon. Gentleman can therefore now read it at length and draw his own conclusions. I think we do have to separate the issue of process from the result, however, and I hope that some people will be reassured by this very detailed investigation of the case.

Jim Shannon (Strangford) (DUP): The Secretary of State clearly outlined the case, and he will understand the dissatisfaction that we Members from Northern Ireland have about it. The right hon. Member for St Helens South and Whiston (Mr Woodward) and my right hon. Friends the Members for Belfast North (Mr Dodds) and for Lagan Valley (Mr Donaldson) mentioned one of our concerns: the guns problem. If there were no guns in the prison, there would be nobody dead today. Can you, Secretary of State, assure us today that you will carry out a further investigation to find out how those guns were smuggled in? Is it your intention to do that, or are you just going to drop the whole thing today and forget about it?

Mr Speaker: May I very gently say to the hon. Gentleman that it is not my intention to do any of the things to which he referred? I am sure, however, that the Secretary of State will volunteer a response.

Mr Paterson: I thank the hon. Gentleman for his question. I think I have just answered it, however. After £30 million and six years, I am not sure what more can

be done, or for how much longer we can carry on looking into an individual case. It is very regrettable that the data to enable us to get to every fine detail of the case may not be available, but we also must recognise that 3,268 deaths are being looked at by the Historical Enquiries Team, and there must be some sense of balance. After a certain amount of time and effort has been expended, we have to accept that certain details may never emerge, but I think that an inquiry lasting six years, involving one of the top lawyers in the country and 30,000 pages of evidence, illustrates that an enormous amount of effort has gone into this case.

Point of Order

4.14 pm

Mr Denis MacShane (Rotherham) (Lab): On a point of order, Mr Speaker. Sir, if you go out into the corridors around here, you will find closed circuit television cameras being installed in the Central Lobby and other corridors that are normally private to Members. Is this known to you? Some people say that it is just to do with the Pope's visit, and that is perfectly reasonable, but if that is so, can we be sure that the cameras will be taken down? I love the surveillance society. I am not sure whether the Independent Parliamentary Standards Authority has an investment in making sure that we are all here and that we are going to our restaurants and coming out with the appropriate bills, but I do not like CCTV cameras in this our House of Commons.

Mr Speaker: I am grateful to the right hon. Gentleman for his point of order. I note what he says and am happy to look further into the matter if it is of notable interest to him and to others. In so far as the issue of security is concerned, however, I know that the right hon. Gentleman is an extremely experienced parliamentarian, so he will be aware that matters relating to security are not discussed on the Floor of the House. If there are no further points of order, we will come to the ten-minute rule motion. I call Catherine McKinnell.

Apprenticeships and Skills (Public Procurement Contracts)

Motion for leave to bring in a Bill (Standing Order No. 23)

4.15 pm

Catherine McKinnell (Newcastle upon Tyne North) (Lab): I beg to move,

That leave be given to bring in a Bill to require certain public procurement contracts let by public authorities to include a commitment by the contractor to provide apprenticeships and skills training; and for connected purposes.

On Friday, I met 19-year-old Chris Haugh, who was starting his last day as an apprentice motor technician at Newcastle international airport in my constituency. He began his placement when he left school at the age of 16 and has earned himself a permanent position, which he started yesterday. During our chat, he described his three years' training as the best time of his life, and he told me about the fantastic support he had received, the friends he had made and how he is looking forward to taking an active role in bringing on the next apprentice that the team takes on. Chris is one in a line of successful apprentices at Newcastle airport. I also spoke to his senior supervisor, Derek Morgan, who was the first apprentice ever taken on at the airport and he has worked there for more than 40 years.

At opposite stages of their working lives, both those individuals perfectly illustrate the benefits of apprenticeships and the reasons why I want to introduce this Bill. I am hopeful that the ideas I present today will meet with the support of hon. Members. My early-day motion 692 on the issue has been signed by 50 MPs, representing five different parties, and I am certain that the political will exists to tackle this subject. What I am proposing is a small legislative change that would make a big difference to the lives of millions, improving aspirations and offering training and high-quality careers.

The aim of the Bill is to introduce a requirement upon successful bidders for high-value public contracts to demonstrate a firm commitment to skills training and apprenticeships. Guidance published by the Office of Government Commerce in April 2009 aimed to encourage departments to address skills and apprenticeship issues through their procurement policies. The Bill aims to build on those guidelines, ensuring that organisations help to develop skills in their work force through these large-scale public contracts.

The economic case is clear. First, expanding access to apprenticeships will help to bridge the current employment and skills shortfall. That is particularly important in the current financial climate. Because it is the Government who award these prized contracts, they are uniquely placed to ensure that those profiting from public money are giving something back. With an annual expenditure in 2008-09 of £175 billion, public procurement is the ideal tool to encourage organisations to develop their apprenticeship plans.

This is a simple principle that draws strong and broad support. The TUC, Unite, the Federation of Small Businesses and many other groups have all publically stated their support. The FSB in the north-east has told me that it builds upon its work, pushing for the public sector to play a more strategic role in stimulating the growth of apprenticeships. In the words of Frances O'Grady, deputy general secretary of the TUC, these companies must "do their bit." By their doing their bit, the financial investment required to expand training will be shared by the taxpayer and private firms making profits from public contracts, and that is a significant advantage. Government spending is declining, yet the need for jobs and training is higher than ever. According to Department for Business, Innovation and Skills figures, 240,000 apprenticeships were taken up in 2008-09, which demonstrates the high demand for apprenticeships. However, the current supply of quality apprenticeships is clearly not sufficient to meet demand and that was highlighted this year when BT received 24,000 applications for only 221 places on its apprenticeship programme.

The relatively small cost of training an apprentice can be contrasted with the clear financial benefits to both the firm and the individual over the longer term. A report commissioned by the then Department for Education and Skills in 2007 estimated that the added financial benefit to an apprentice over their lifetime of completing a level 3 apprenticeship is about £105,000 in higher wages and a significantly higher likelihood of employment. A separate report produced in 2008 by Warwick university also showed that the majority of employers recouped the cost of their investment within two to three years. As the report found that apprentices usually stay with the firms that trained them for far longer than that, those employers enjoy access to highly skilled employees who know their business and feel a personal commitment to its success. That improves efficiency and productivity as well as generating non-financial benefits such as increased morale and commitment to the organisation.

By expanding access to apprenticeships we can create a more tailor-made training system in which employers, who know their industries better than anyone, identify the skills that are needed and train their apprentices to suit them. That will lead to less surplus and shortage in the labour market, quicken our return to prosperity and ensure that Britain has the intelligently trained workers that we need for our recovery.

As well as being convinced by the economic case for the Bill, I also have personal experience of how apprenticeships change lives. Aside from meeting inspiring people such as Chris and Derek, I grew up with my grandfather's building company and had the opportunity to see at first hand the human dimension of what it means for people to get into work. Yesterday, I met up with Tony Hall, who started as an apprentice with my grandfather in 1972. He now runs his own business and his son has just started, at 17, as an apprentice at a stainless steel fabricators—White Bros Ltd—in my constituency. The economic benefits really are only half the story of why this Bill matters.

Being in employment or training does not just mean that a person has a bit more money to spend. It changes the way people view themselves and gives them increased pride and self-esteem. Apprentices are perhaps the best means to tackle the increasing number of people who are not in employment, education or training and we have the perfect opportunity to use apprenticeships to show that in order to be successful, higher education is not a prerequisite, and that equal if not greater rewards can be gained through entering the workplace as an apprentice.

Although companies will be obliged under the Bill to demonstrate a general commitment to providing apprenticeships and training, steps will be taken to ensure that it is always proportionate and continues to guarantee value for money. Small businesses should not be adversely affected by the proposals due to limits on the size of the contract and the number of apprentices required by the Bill. More than this, the stipulation could not be enforced at the expense of discriminating against contractors from other EU states.

Increasing access to training and boosting the availability of apprenticeships are matters on which Labour in government made real strides and so I am pleased to see that they remain declared goals of the coalition Government. I was also pleased to read of the Minister for Further Education, Skills and Lifelong Learning's praise for apprenticeships during his recent visit to the Nissan car plant in Tyne and Wear. His declaration that "apprenticeships matter" gives, I am sure, hon. Members on both sides of the House great hopes for the direction of future policy in this respect.

There is a widely recognised need to increase apprenticeships and I am convinced that a simple way to do that is for those who profit from public contracts to do their bit. Given the support that has been expressed for the proposal not only in Parliament but by industry groups and trade unions, I ask hon. Members to support the small change brought in by this Bill and to play a part in making a statutory obligation on the public procurement process that will benefit individuals, businesses and the country. It is a long-overdue requirement that will create a comprehensive national apprenticeships programme, central to lower-cost, high-quality skills training in the UK. It is a small change that will make a big difference, and I commend it to the House.

Question put and agreed to.

Ordered,

That Catherine McKinnell, Mr Charles Kennedy, Ms Angela Eagle, John Healey, Tony Lloyd, Jack Dromey, John Cryer, Grahame M. Morris, Mrs Sharon Hodgson, Tony Cunningham, Geraint Davies and Mr Iain Wright present the Bill.

Catherine McKinnell accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 11 February and to be printed (Bill 70).

Equitable Life (Payments) Bill

Second Reading

4.26 pm

The Financial Secretary to the Treasury (Mr Mark Hoban): I beg to move, That the Bill be now read a Second time.

The Government want to see justice for Equitable Life's policyholders and that is clearly reflected in the actions that we have taken since coming to office. In our programme for government, we pledged to implement the Parliamentary and Health Service Ombudsman's recommendation to make fair and transparent payments to Equitable Life policyholders. As a constituency MP and as the Financial Secretary to the Treasury, I receive plenty of correspondence on this matter, I have answered a series of parliamentary questions about it and I have had a number of oral representations from colleagues on it, all of which have stressed the need for a fair resolution. I understand the strength of feeling and, given my role in the past five years in opposition and now in government, I hope that hon. Members will recognise my commitment to policyholders.

We need a swift resolution, but, vitally, one that is transparent and fair. I am pleased to report to the House that more progress has been made to address the plight of Equitable Life policyholders during the first few months of the coalition Government than was achieved over the past decade. We have published Sir John Chadwick's independent report setting out his approach to calculating payments. I commissioned the first bottom-up estimates of losses suffered by policyholders, calculated at each individual stage of Sir John's methodology, and published those estimates in July.

Dr Julian Lewis (New Forest East) (Con): As one of the many people who signed the Equitable Life representatives' pledge before the election, I am very concerned that there should be a fair settlement. Will the Minister comment on the statement by the parliamentary ombudsman in her letter to all MPs of 26 July that

"the Chadwick proposals seem to me to be an unsafe and unsound basis on which to proceed"?

Mr Hoban: My hon. Friend was one of a number of colleagues on both sides of the House, including me, who signed the pledge. I am determined to make sure that we honour the pledge and that justice is delivered to Equitable Life policyholders. I met the ombudsman yesterday to discuss her letter and her comments on Sir John's report. That is one of a number of representations that I have received about the report. I shall talk about the others in more detail later, but let me say that the starting point of Sir John's work is a basis for calculating external relative loss. That is the first such basis that has been proposed to us and we need to look at how it could work as a basis for calculating the losses. I am determined to make sure that in deciding the loss figure we should take into account all the representations that have been received, including those of the parliamentary ombudsman.

Several hon. Members *rose—*

Mr Hoban: I sense that my hon. Friend wants to intervene again.

Dr Lewis: My hon. Friend is extremely generous in giving way a second time. Does he accept that whatever calculations are done, any outcome that results in only a small fraction of the relative loss being made good to the policyholders would be deemed unacceptable by the policyholders, and dishonourable behaviour by those of us who signed that pledge in good faith?

Mr Hoban: I draw my hon. Friend's attention to the ombudsman's report. She set out a process for assessing relative loss, but she was very clear in her report that we need to take into account the impact on the public purse of any compensation scheme.

Several hon. Members *rose—*

Mr Hoban: Before Opposition Members get excited—*[Interruption.]*

Mr Speaker: Order. Let the Minister develop the point. He will give way when he is ready. There is much competition on that front.

Mr Hoban: Before Opposition Members get to their feet, they should think about what happened over the past decade. The bill for the taxpayer would have been much less if rather than waiting till now, the matter had been resolved under the last Government. They had 10 years to resolve it. Nothing happened until the present Government took power.

Mr John Redwood (Wokingham) (Con): I welcome the swift move to put right the injustice about which the Opposition did nothing for more than a decade. To reassure colleagues, will my hon. Friend confirm that there will be a discussion between the Chief Secretary representing the taxpayers, and himself or some other Minister representing the Equitable Life policyholders? There needs to be a balance and we look forward to a sensible balance being struck.

Mr Hoban: My right hon. Friend makes an important point. There are two decisions to be taken. One is on the loss figure and the other is on the amount of compensation that the taxpayer can afford to pay. It is right that those decisions are made in the context of the spending review. That decision will be announced on 20 October.

Mr Dave Watts (St Helens North) (Lab): Is not the point made by his right hon. and hon. Friends this: when on the Government Benches we accepted the recommendations in principle—*[Laughter.]* Both the Liberals and the Tories in opposition gave policyholders the impression that they would be far more generous. Are they not now going back on their word which they gave before the general election?

Mr Hoban: I should not have given way to the hon. Gentleman. He has identified the problem. The previous Government could have dealt with the matter, but it is left to the present Government. We have to sort out not just this mess, but the mess that Labour left behind in the state of the public finances. That is the problem that we have to face in dealing with the Equitable Life issue.

Margot James (Stourbridge) (Con): Might the state of the public finances guide the Chancellor in his autumn statement on the public spending review to advance a compensation pot that would be in line with the rest of the Government's overview of public spending reductions, that being of the order of 25% for the majority of Departments, and nothing to do with the 90% reduction advanced by the Chadwick report?

Mr Hoban: My hon. Friend will recognise that the spending review is not simply a linear process. Some projects will be scrapped completely; some will suffer a small cut. We need to look at each case on its merits, rather than assume that an across-the-board measure will apply to all spending bids in the spending review.

Tim Farron (Westmorland and Lonsdale) (LD): Without speculating what proportion of the £5 billion estimated losses will be compensated, does the Minister agree that, whatever payment is announced today, the Government will recognise that it is merely a first down-payment on returning the losses to policyholders, with a view to further payments being made in future years?

Mr Hoban: A number of hon. Friends have made that point, and a number of representations made to me put an alternative point of view—that what policyholders would like is rapid resolution and a swift payment scheme to bring closure to the matter. The spending review is to cover the lifetime of this Parliament, and the figure that is settled upon should reflect the coalition's commitment to resolving the issue once and for all.

Several hon. Members *rose—*

Mr Hoban: I shall give way to my hon. Friend the Member for Shipley (Philip Davies).

Philip Davies (Shipley) (Con): Nobody is keener than me for the Government to save money and get the finances back on track, and I am happy to meet my hon. Friend to give him some of my ideas about how we can do that. However, I hope that the Government, having made commitments to people while in opposition, will not use the argument that there is no money in order not to pay a fair settlement. After all, we all knew that there was no money when we were in opposition.

Mr Hoban: That is why, when the ombudsman published her report, we highlighted her recommendation that we need to consider the impact on the public purse of any compensation scheme. We made that point when she published her report, and it was in the Opposition day motions on which we voted prior to the election. It has been a consistent strand in our policy to recognise the impact on the public purse of this compensation pot.

Several hon. Members *rose—*

Mr Hoban: I shall give way to my right hon. Friend the Member for Haltemprice and Howden (Mr Davis)—*[Interruption.]*

Mr David Davis (Haltemprice and Howden) (Con): I take the noise from Opposition Members with a great pinch of salt, given the way in which they behaved.

My hon. Friend rightly cited the ombudsman, and in the central recommendation of her report she set the following criterion:

> "The aim of such a scheme should be to put those people who have suffered a relative loss back into the position that they would have been in had the maladministration not occurred."

Does my hon. Friend believe that he can get there—or close?

Mr Hoban: That is not a matter for me to decide; it is part of the spending review. However, I remind my right hon. Friend what the ombudsman also said. In paragraph 9.38 of her report's summary, she said:

"I am acutely conscious of the potential scale of what I have recommended and that acceptance of my central recommendation might entail opportunity costs elsewhere through the diversion of resources."

She recognised the potential impact on public spending of her recommendations, and that public interest is a relevant consideration, stating that:

"it is appropriate to consider the potential impact on the public purse of any payment of compensation in this case."

I therefore point out to my right hon. and hon. Friends, who rightly put great store by the ombudsman's work, that her recommendations are strongly qualified by the question of affordability, and we need to bear that in mind. Of course, it would have been far easier if the matter had been resolved when she published her report in July 2008, rather than having to wait until now.

Several hon. Members *rose—*

Mr Hoban: I shall give way to the hon. Member for Central Ayrshire (Mr Donohoe).

Mr Brian H. Donohoe (Central Ayrshire) (Lab): I thank the Minister for, at last, giving way. I have been a Member for some time and longer than he has, so I can tell him that this was an issue before 1997. The Conservatives, at that time in government, refused to pay any compensation to the Equitable Life pensioners. Under the terms that they now suggest, they will cut about £5 billion of the compensation that the ombudsman recommended for payment, but I heard the Minister in Westminster Hall say on many occasions that they, in government, would pay the pensioners in full. Why have they changed?

Mr Hoban: The hon. Gentleman should really direct his anger at his own Front Benchers, who for years blocked the investigation of Equitable Life by the ombudsman, who tried to delay her report and who took six months to respond to her findings. The real culprits are on the Opposition Front Bench, not on the Government Benches.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The Minister, in his opening remarks, spoke of justice. Where does justice lie—at 10% of losses, 100% of losses or some random figure in between?

Mr Hoban: As I have tried to make clear, the decision about how much the taxpayer can afford will be taken in the context of the spending review, when we look at this bid for spending alongside other bids.

Mr Bernard Jenkin (Harwich and North Essex) (Con): My hon. Friend will know that the Public Administration Committee, which I now chair, issued in the previous Parliament two reports on the subject, and unless we make progress discussing the Bill itself, it seems that much of this debate will turn on what exactly the ombudsman meant in her report. May I advise my hon. Friend and, indeed, the House that my Committee intends to hold a further inquiry as soon as the House returns in October in order to elucidate the exact differences between the ombudsman's recommendations, Sir John Chadwick's report and what the Government's view may be at that time? We will issue a report on what we believe the ombudsman actually intended, and I hope that the Government will honour that interpretation.

Mr Hoban: I would be delighted to appear in front of the Committee to give the Government's view. It is important that there should be scrutiny through the Public Administration Committee. My hon. Friend was right to highlight the work done by the previous Committee; I particularly commend the former Chair, Dr Tony Wright, who did a great deal, with other Committee members, to keep the issue in the public debate. They published two reports that were very critical of the previous Government. I am happy to take part in that process.

Esther McVey (Wirral West) (Con): The fact that this matter has not been resolved for so long is an absolute disgrace, and I congratulate the coalition on the fact that it will deal with it so swiftly. It is vital that the compensation given should be suitable and satisfactory to all the victims of Equitable Life. Going forward and looking at the bigger picture, we need to consider pensions as a whole. What does this issue say about how far the general public can have faith in any pension scheme?

Mr Hoban: Indeed; my hon. Friend makes an important point. I would like to say two things in response to her. First, any compensation has to be fair to both the policyholders and the taxpayers who will foot the bill. No one else will foot the bill—no one involved, such as the previous management of Equitable Life, will pick up the tab. The taxpayer will foot the bill. We need to make sure that compensation is fair for the taxpayer and policyholders.

Secondly, my hon. Friend is right to highlight the issue of how we ensure that there is confidence for investors and savers in insurance and long-term saving in the future. That is one of the reasons why my right hon. Friend the Chancellor announced in June that we are going to reform financial regulation and set up a new consumer protection markets authority. That will strengthen the regulatory regime in this country.

We also need to make sure that we help improve financial capability for savers, so that they can understand some of the issues around the products that they take out. That is why we have proposed an annual financial health check, which will help savers understand some of those issues.

Nadhim Zahawi (Stratford-on-Avon) (Con): As we have heard, many of us have signed the Equitable Members Action Group pledge. There is a wide gap between what Sir John Chadwick and the ombudsman are saying. Does the Minister agree that it is our duty to bridge that gap in a satisfactory way? Otherwise, all the good will that he has achieved in the past few weeks will be spent and the victims of Equitable Life will end up feeling hard done by.

Mr Hoban: I do not wish to repeat myself, but the important point is to honour the pledge that we all made and also to make sure that the settlement is fair to policyholders and taxpayers and consistent with all the recommendations that the ombudsman made.

Andrea Leadsom (South Northamptonshire) (Con): I, too, congratulate the Government on getting to this issue so quickly, in line with the promise that we made before the general election. Will the Minister comment on the case of two of my constituents who between them had an annuity of about £11,000 a year? It is now worth roughly £4,000 a year and will continue to reduce; that is a loss of more than 55%. I should be grateful for the Minister's comments on what I am to say to them.

Mr Hoban: I am not familiar with the policies held by every single Equitable Life policyholder. There are 1 million policyholders with 1.5 million policies, and 30 million policy transactions went through during the period concerned. That is why it is important that Towers Watson, which has provided actuarial advice to the Treasury, should look at the calculation of losses.

I suspect that my hon. Friend's constituents may be part of one group for whom there is a great deal of sympathy. They are the so-called "trapped annuitants"—people who bought with-profits annuities policies. I have raised that topic with Towers Watson, to try to understand the losses that people in that category of policyholder have suffered, so we can understand the right approach in terms of compensation. Many people from that group believe that they have suffered quite significant losses, and we need to ensure whether that is the case. At the moment, I am trying to do some more work to establish that.

Mark Lazarowicz (Edinburgh North and Leith) (Lab/Co-op): The hon. Gentleman knows that I have spoken up for Equitable Life members represented on both sides of the Chamber. One of the issues that concerns everyone is speed—when people are going to get some money paid out. I do not expect him to give a specific day, week or month, but can he give some indication of when policyholders might expect to see payments beginning? I suggested in an intervention a few weeks ago that it might be well into 2011; what does he think would be a reasonable time scale?

Mr Hoban: The hon. Gentleman makes an important point. Speed is of the essence, and we want to make sure that payments start to be made as quickly as possible. There is quite a lot of work to be done before we get to that point; I will say a bit about that work later on.

Mr Mike Weir (Angus) (SNP) *rose*—

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab) *rose*—

Albert Owen (Ynys Môn) (Lab) *rose*—

Mr Hoban: If I can answer one intervention before I take the next, it would be helpful to all hon. Members.

We said in the statement on 22 July that we hope to start to make payments towards the middle of next year. I give way to the hon. Member for Ynys Môn (Albert Owen).

Albert Owen: The hon. Gentleman may recall that when he made his statement to the House I asked him about an appeals procedure. Once a payment is recommended and the person does not agree with it, what kind of mechanism will be in place for appeals? Will it be independent? Will the Bill give a time scale indicating the length of time for the appeals procedure so that people can be clear about that?

Mr Hoban: The appeals mechanism is not in the Bill. However, I took on board the point that hon. Gentleman made during the statement about the need for an appeals mechanism, and I have raised that with my officials. I agree, too, that it is important that any appeal is dealt with quickly, but of course that requires co-operation both on the part of the person making the appeal and the body adjudicating on the appeal. Part of the problem that we all face is that we are talking about premiums that were paid back in the early '90s, so clearly for some of those making appeals there may be an issue about the availability of paperwork and documentation. I am very mindful of that point, and we will pursue it.

Several hon. Members *rose*—

Mr Hoban: I would like to make a little progress. I have been very generous in taking interventions from Members on both sides of the House, and I will take a few more in due course.

We will announce in next month's spending review how much we can afford to pay to policyholders. We have established an independent commission to assess how best to allocate compensation to policyholders, and we have announced our goal of making the first payments towards the middle of next year. Today's Bill is another step on the long road to a fair resolution of this situation.

The independent commission has already started its work, and the chairman, Brian Pomeroy, recently invited all interested parties to submit their views. That invitation extends to Members in all parts of the House; I know that many people have strong opinions on how compensation should be paid to policyholders once the final amount has been determined. I am keen that the commission should work as quickly as possible and that its establishment should not unduly delay payments beginning to be made to policyholders. However, the independence of the design of the payments scheme is a key matter of concern to policyholders, especially to the Equitable Members Action Group, so it is important to guarantee transparency and openness. It is therefore right to give the commission the remit to do this work.

I am also mindful of the fact that we need a tight timetable—one that gives enough time to consider all the issues properly but recognises that many policyholders are elderly and should not be required to wait a minute longer than is necessary for justice. Today, we have taken the opportunity to take another important step forwards to achieving resolution. The Bill authorises the Treasury to incur expenditure and make payments to those adversely affected by the then Government's maladministration of the regulation of the Equitable Life Assurance Society. This is why, regardless of how a future scheme will look, passing the Bill today is vital to enable payments to be made. I should make it clear that the Bill does not set the maximum amount that can be paid or dictate the design of the scheme, but simply gives the power to the Treasury to make those payments.

Several hon. Members *rose*—

Mr Hoban: If I may continue a little more about the Bill, I will take more interventions shortly.

The Bill allows for payments made to policyholders to be disregarded for certain purposes, including making them tax-free in the hands of the recipients. The Government will also be able to consider what effect the payments might have on individuals' eligibility for certain types of means-tested state funding support, particularly tax credits, and how that might be mitigated. A final decision has yet to be made on whether those powers will be used, but it is sensible to include them in the Bill so that any arguments can be taken into consideration. It is essential that we take every action to avoid the scheme becoming unnecessarily complex.

Sir Robert Smith (West Aberdeenshire and Kincardine) (LD): I welcome the fact that the Bill places no restraint on the level of compensation. I wish to reinforce the point that, to restore confidence in the market, there has to be a fair resolution. Is the Financial Secretary still open to submissions on the level of compensation in the run-up to the comprehensive spending review, and is it still possible for people to make points that will influence that level?

Mr Hoban: Yes. Although we encouraged people to make representations by early September, I and my officials will still listen to any later representations. If anyone feels that they have not expressed their view, I will happily entertain their representations.

Mr Gareth Thomas (Harrow West) (Lab/Co-op): As the Financial Secretary has just said, and as the explanatory memorandum makes clear, under the Bill eligibility for some state-funded, means-tested support may be affected by compensation payments. Will he confirm whether any Equitable Life policyholder who receives a compensation payment and who is currently on housing benefit, disability living allowance or income support might be affected in that way?

Mr Hoban: The Bill provides for matters within the remit of the Treasury. My understanding is that the Department for Work and Pensions has the power to take into account the impact of compensation on other means-tested benefits, and we will discuss with it how the matter can best be dealt with.

Nicola Blackwood (Oxford West and Abingdon) (Con): I welcome the swift action that the Financial Secretary has taken, which puts the actions of the previous Government to shame. I particularly welcome the inclusion in the commission's terms of reference of the estates of deceased policyholders, as that goes some small way to making up for the suffering of the more than 30,000 Equitable victims who died waiting for a Government who will bring them justice. Will there be an opportunity to debate in the House the decision on quantum that he will reach in the CSR?

Mr Hoban: I will have discussions about parliamentary scrutiny with the Leader of the House. Indeed, the Deputy Leader of the House is in his place on the Treasury Bench and will have heard my hon. Friend. A range of decisions will be made as part of the CSR, and Equitable will need to be taken into account along with other matters. The inquiry of the Public Administration Committee, chaired by my hon. Friend the Member for Harwich and North Essex (Mr Jenkin), will also provide an opportunity for parliamentary scrutiny.

Dan Byles (North Warwickshire) (Con): I am grateful to the Financial Secretary for his generosity in giving way on this important topic. When it comes to identifying the affordability of any compensation scheme, does my hon. Friend agree that it is important to recognise the potential long-term cost to the taxpayer of a collapse in confidence in private pension provision and in people's ability to save for their future?

Mr Hoban: That is an important point, but we also need to consider other factors such as the general state of the public finances and the other demands on public money in the spending review. We must also recognise that the Government have decided to introduce radical reform of financial regulation and to improve the regulation of retail financial services through the establishment of the consumer protection and markets authority. We can take a range of measures to help restore long-term confidence in savings, and people will have confidence in saving for the future if they recognise that the economy is on a stable footing, that we have got public spending under control and that we are tackling the deficit and keeping interest rates reasonable for as long as possible.

Charlie Elphicke (Dover) (Con): I understand my hon. Friend's desire to get full and final closure, but the consensus at a packed public meeting of my constituents in Dover and Deal was that it would be better to have staged payments over a number of years if affordability was a problem right now. Will he consider that very seriously?

Mr Hoban: I discussed that idea, but I received a strong representation from Equitable Life advising against it, because of the complexity that might be attached to staged payments. Some have suggested that we make payments into people's pension funds, but some of the key criteria for judging the payments scheme will be simplicity, speed and transparency. People will be concerned that a series of small payments over a long period will not necessarily meet the simplicity, speed and transparency criteria against which a payments scheme ought to be judged.

Toby Perkins (Chesterfield) (Lab): Will the Minister acknowledge that the broad range of issues that he now says he will take into consideration were entirely absent from his discussions in the run-up to the election or in the coalition agreement, which states that the coalition Government will implement the Parliamentary and Health Service Ombudsman's recommendation? People in the Equitable Members Action Group will be extremely disappointed with the Minister's tone when they compare it with the tone he took in the run-up to the election.

Mr Hoban: It is a bit rich for Labour Back Benchers to complain, when the Labour Government had a chance to resolve the matter but failed to do so. The hon. Gentleman should explain to Equitable Life policyholders in his constituency why his colleagues failed to take the action necessary to resolve the problem when they were in government.

Mr Weir: We cannot object to anything in the Bill, but the detail on quantum is not in it. Does the Minister intend to provide details on the scheme to the House so that we can debate it before it is introduced?

Mr Hoban: I shall come to that in a minute, but the Bill simply gives the Treasury the powers to make the payments. It is right that the Treasury takes those powers, but it needs to do so now so that we can move on to the procurement process and identify who will make the payments.

Sajid Javid (Bromsgrove) (Con): I am sure that my hon. Friend is as shocked as I am that, in five months, this Government have achieved more than the previous one did in 10 years? I welcome the Treasury's swift action. The matter is extremely complex, as he said, not least because a number of financial regulators were involved during Equitable Life's problems and because of the problems associated with the life insurance industry in general. Will he assure the House that, unlike the previous Government, we will not hide behind that complexity in trying to bring justice to Equitable Life policyholders?

Mr Hoban: That is why we are keen to ensure that we have a scheme that is simple, swift and transparent. That is important and it is the basis of the pledge that we signed. I was unsurprised that the Government made so much progress in the first five months because I have been following this issue for some time. What surprised me was how little progress our predecessors made.

Several hon. Members *rose—*

Mr Hoban: I want to make progress because I am conscious that there is an eight-minute limit on Back Benchers' speeches, and clearly many Members on both sides of the House are interested in the debate.

Once we receive the independent commission's report, I plan to publish a document, early next year, showing clearly how the scheme will function. The ombudsman envisaged that any system of payments would need to be independent, simple and transparent. I agree with that thinking and I have tried to ensure that our approach meets those criteria. On independence, the Government have established the Independent Commission on Equitable Life Payments to advise on the design of the scheme; to ensure simplicity, we will ensure that the future system of payments is as straightforward as possible to avoid any undue burdens being placed on policyholders; and, on transparency, we have published Sir John Chadwick's report, the actuarial advice from Towers Watson and representations made to Sir John. Interested parties therefore have access to information when making their representations.

In the spirit of transparency, I shall update the House on wider matters relating to Equitable Life and payments to its policyholders. It is worth reminding hon. Members that one outcome of Sir John's work is that it enabled us to produce the first bottom-up assessment of relative loss, which we did by comparing the performance of Equitable's policies against those of comparator companies. There are some reservations on the detail, but there appears to be some broad agreement on the general approach of comparing Equitable Life's performance with that of a basket of comparator companies. I recognise that a number of Sir John's recommendations were contentious, including his view that the majority of policyholders had to make the same investment decisions irrespective of maladministration, but I stress that Sir John's review is just one of the tools at our disposal in looking to fix an incredibly complex problem.

Mr Edward Timpson (Crewe and Nantwich) (Con): My hon. Friend mentioned the work of the actuary and the advice given to Sir John Chadwick to formulate his report, but, given the transparency that my hon. Friend is trying to bring to this matter, has he considered publishing the actuary's calculations?

Mr Hoban: My hon. Friend makes an important point about transparency. The actuarial advice gives a clear demonstration of the methodology used by the actuaries, but 30 million premium transactions had to be compared with a basket of comparable companies from 1992 to the end of 2009. The publication of the model at that level of detail would not aid transparency. It would be more likely to confuse, given the complexity of the calculations. However, we have ensured that EMAG and ELTA—Equitable Life Trapped Annuitants—have had an opportunity to meet Towers Watson, the actuaries, to go through the calculations. Towers Watson has provided examples of its calculations so that the mechanics can be understood.

Stephen Timms (East Ham) (Lab): The ombudsman states in her letter to every hon. Member that because the Government have fully accepted her recommendations Sir John Chadwick's approach is no longer relevant. Why does the Financial Secretary disagree with her on that point?

Mr Hoban: It goes back to what the previous Government were prepared to accept. Sir John's report is based on the terms of reference that the right hon. Gentleman's colleagues gave him, which dealt with the accepted findings. Of course, the previous Government did not accept all the ombudsman's findings, but that decision was overturned in the courts. It is important to recognise that the first stage—the calculation of external relative loss—is not dependent on the accepted findings because it covers the findings of Equitable Life as a whole across the period. The issue of the accepted findings becomes especially important when Sir John assesses what would have happened if Equitable Life had been regulated properly. The reconstruction of Equitable Life's financial accounts was based on the accepted findings of the previous Government. The problem is that as we get further and further away from the calculation of external relative loss, what the previous Government accepted and did not accept becomes much more relevant to the calculation of compensation. That is one of the factors that we need to take into account when we assess the final level of loss.

Ms Gisela Stuart: The Financial Secretary has just mentioned 1992, so it is clear that this issue goes back not just to the Labour Government but to the previous Tory Government. All Equitable pensioners want a resolution as quickly as possible and they will be disappointed by this slanging match. I have a simple

question: what did the parliamentary ombudsman say to him yesterday when they met? Was she satisfied with his proposals, and what did he say to her?

Mr Hoban: The ombudsman's letter is clear. She said that she welcomed much of the Government's approach, including the appointment of an independent commission, the publication of a clear timetable for the beginning of payments to those affected and our commitment to consider representations on the best way forward. I do not feel that I can give the House the outcome of a private meeting, but the ombudsman reiterated her findings, which were set out in the report that she published in July 2008 and which the previous Government sat on for six months before responding. She will also have the opportunity to make her views known when the Public Administration Committee works on this. I just want to do all that I can to ensure that the recommendations published by the ombudsman in July 2008 are honoured, and that is the task that we have to achieve.

Mr Andrew Tyrie (Chichester) (Con): Does my hon. Friend accept that the six-month delay to which he alludes is just the tip of the iceberg? We faced years of delaying tactics, not least a calculated attempt to try to prevent the parliamentary ombudsman from even producing a report.

Mr Hoban: Indeed, and it was the work of my hon. Friend, who was characteristically modest in his intervention, that found a way in which the ombudsman could publish her second report into Equitable Life. Had he not found the way through, we would not be in this position today, so the House and policyholders owe him a debt of gratitude for getting us to this position.

My hon. Friend is absolutely right that the previous Government did everything they could to avoid a second ombudsman's inquiry into Equitable Life. The Penrose report, published in 2004, demonstrated that there had been regulatory failure at Equitable Life over a decade covering both Governments—I have no problem accepting that. However, the previous Government could have acted in 2004, but instead they dug their heels in—and here we are in 2010 with policyholders still waiting for justice.

Mel Stride (Central Devon) (Con): My hon. Friend was talking about the delays in the response to the ombudsman's report in April 2008. Does he not also recognise, as we all do, I think, on the Government Benches, that the response of the then Chief Secretary to the Treasury was to start talking about those disproportionately affected by the saga but still without setting any time scale for compensation?

Mr Hoban: Indeed, and we have tried to bring to this matter a time scale and a sense of purpose and pace in resolving it. Of course, had it been resolved earlier, the compensation bill would have been cheaper and the pain suffered by Equitable Life policyholders far less. The previous Government dragged their feet, and we have to pay the price.

Geoffrey Clifton-Brown (The Cotswolds) (Con): May I congratulate my hon. Friend on the progress he has made, given the complexities he alluded to of the time scale and the size of the calculations he has to make? He has already said that the commission will start work and first payments should be made to valid claimants next June. However, can he give any idea of the timetable by which all valid claimants, unless there is an appeal or other court procedure, might expect to receive a payment?

Mr Hoban: I cannot give that commitment yet, and we will not be able to do so until we see the scheme proposed by the independent commission. However, I am clear in my own mind that the time between the first and the last payments needs to be as short as possible, because these policyholders demand justice quickly—and that is what I am keen to deliver.

Several hon. Members *rose—*

Mr Hoban: I want to press on.

On the progress that has been made, I should say that the letter produced by Towers Watson this July gave an estimate of losses, looking at comparable performance up until the end of 2007, and it has been working on a further detailed estimate over the summer to bring those numbers up to date—to the end of 2009—which should enable us to present a much more robust estimate of loss next year.

A number of hon. Members have mentioned the ombudsman. I have outlined the comments in her letter. We discussed with her yesterday her concerns about Sir John's advice, and I have noted those concerns, but I reiterate to Members on both sides of the House that the ombudsman's report set out some clear parameters for compensation. She talked about compensation and relative loss, but I reiterate that she was very mindful of the issue of affordability—and I refer to the paragraphs in her report that she highlighted. That has underpinned our response to this matter from the moment she published her report in July 2008.

In my statement on 22 July, I set out the next steps towards resolution, confirming that we would respond to the report and determine the value of the compensation as part of the spending review, and inviting interested parties to submit their representations to help inform the next stage of the process. I have received a number of representations and would like to thank everyone who has taken part in this process. We have met the board of the Equitable Members Action Group, which from the beginning has campaigned vigorously on behalf of policyholders, as well as the society itself and representatives of the Equitable Life Trapped Annuitants group. Their views are helping to inform the decisions that the Government are taking on Equitable Life in the run-up to the spending review.

As I said in opening, we have tried to be as open as possible in this process. We have sought to involve all interested parties to ensure that when a solution is reached it is fair to everyone, both policyholders and taxpayers. I personally want to see a swift end to this matter, so that policyholders who have waited in financial purgatory for so many years can receive the payments that are rightfully theirs. Although there is some way to go before we reach a final resolution, I believe that this Government have made more progress since May than our predecessors did from the time when the problems at Equitable Life first came to light over a decade ago.

[Mr Hoban]

The Bill before us today is a key milestone on the road to resolving those long-standing issues. It is a clear sign of the Government's commitment to those who have suffered losses owing to the maladministration of regulating Equitable Life. Policyholders have waited over a decade for justice. Passing this important Bill is essential to achieving justice for them, so I commend it to the House.

5.10 pm

Stephen Timms (East Ham) (Lab): We very much welcome the fact that the Bill is before the House, and we shall not oppose it today. We will want to table amendments to the Bill in Committee, and this afternoon I will set out those that we have in mind. I hope that they will be widely welcomed across the House and that the Government will feel able to accept them.

However, let me first respond to the Minister's speech. I have not previously spoken in the House on the subject of Equitable Life, so I have been able to come at the issue fresh. Let me begin by acknowledging the extent of the hardship and anxiety that all too many people have endured as a result of the failure of Equitable Life and the long process since. I want also to associate myself with the expressions of apology already made by my right hon. Friends for the contributions to that failure of successive Governments. Unlike me, the Minister has made numerous speeches in the House and elsewhere on the subject—many of them made while in opposition—but he is now the Minister. He is now supposed to be making decisions. Today, as the Prime Minister likes to say, the rubber hits the road, but the Government seem more interested in the lay-by. They have not yet made those decisions. Four months after this Government were elected and almost two months after the publication of Sir John Chadwick's report, Equitable Life savers are still no nearer to knowing what payments they will receive.

Indeed, things are worse than that. It appears that the Minister, now safely elected, proposes to do precisely the opposite of what he said before the election that he would do. Not just he, but every Treasury Minister, signed the pledge drawn up by the Equitable Members Action Group, whose indefatigable campaigning he was right to draw attention to, and which will have won the respect of every Member. The Prime Minister, the Deputy Prime Minister and the Chancellor all signed the pledge, which committed each signatory to

"vote to set up a swift, simple, transparent and fair payment scheme—independent of government—as recommended by the Parliamentary Ombudsman."

The previous Government took the view, which I share, that there are practical problems with the ombudsman's recommendation. That is why we commissioned Sir John Chadwick to advise on a practical scheme. However, for EMAG, the position is clear: the ombudsman is right, the Chadwick recommendations are not. That is the issue that the Minister has failed to resolve.

Mr Andrew Love (Edmonton) (Lab/Co-op): My constituent Mr Peter Waller—not a Labour supporter—wrote to me following the statement made to the House previously to say:

"Already, the Coalition government…are…showing shameful disregard to us, after so many Conservative and Lib Dem members signed a pre-election statement that we would get fair justice."

Does that not sum up what this Government have done?

Stephen Timms: My hon. Friend is absolutely right. EMAG today is very angry indeed. When the Prime Minister, the Deputy Prime Minister, the Chancellor, every Treasury Minister, and the great majority of Government Members signed that pledge, EMAG thought that they meant it. Over the next couple of months, the Ministers and their hon. Friends behind them are going to find a lot of their constituents saying exactly what my hon. Friend's constituent said, and wanting to know why Government Members have reneged on their pledge. They will have a great deal of explaining to do.

Miss Anne Begg (Aberdeen South) (Lab): The previous Government made reparations for a number of historical injustices during their time in office, including compensation for the miners and for the fishermen involved in the cod war, and the financial assistance scheme. We hoped that all those processes would be simple and straightforward, but none turned out that way. Indeed, the Government had to revisit a couple of them on more than one occasion. Equitable Life is a far more complex case than any of them, however, and it was always going to be difficult, if not impossible, to come up with a scheme that was simple, transparent and fair. We hope that the Government will be able to do that, but it is going to be very difficult indeed.

Stephen Timms: My hon. Friend is right. This has been a difficult task, and that is why it has taken such a long time to get to this stage. We all hope that the matter will be quickly resolved, but it is now becoming clear that the coalition is not going to deliver. All those nods and smiles before the election, and all those pledges earnestly signed, are not worth the candle. The truth is that both the coalition parties led EMAG up the garden path. They will not deliver what they promised. It is flagrant: EMAG delivered votes at the election, but now that the election is safely over, it can be ditched.

Nadhim Zahawi: I note that the shadow Minister opened his speech by saying that he had not spoken before on the subject of the anxiety of the victims and policyholders. Does he think that their anxiety was added to by the fact that, on 3 December 2008, the then Prime Minister told the House that there would be a statement on this matter before Christmas, but that that statement was not forthcoming?

Stephen Timms: If I remember correctly, there was a statement in January 2009 in response to the ombudsman's report.

Precisely the people who promised the earth before the election have now decided to sell EMAG down the river. It is a breathtaking breach of trust.

Geoffrey Clifton-Brown: Is this not a bit rich, coming from the right hon. Gentleman, for whom I have a great deal of respect? He had 13 years in which to sort this problem out. He obfuscated the ombudsman not once but twice, and then refused to implement the ombudsman's ruling. This whole issue could have been resolved by now. We need not have been debating it today if his Government had just got on and done it.

Stephen Timms: I think I am right in saying that the hon. Gentleman was one of those who signed the pledge. He will now need to work extremely hard to

persuade his hon. Friends on the Front Bench to deliver what he and so many of his hon. Friends have signed up to.

Mr Watts: Does my right hon. Friend agree that the Bill is a smokescreen designed to hide a U-turn, and that every Tory and Liberal MP pledged before the election to do something that they are obviously not going to do?

Stephen Timms: I am afraid that my hon. Friend is absolutely right. We got some process today, and that is it.

Jesse Norman (Hereford and South Herefordshire) (Con): Does the House share my sense of bewilderment that the right hon. Gentleman should be asking us to apologise for five months of action, when he has done nothing for 10 years? Can he give us a quantification of the cost to Equitable Life policyholders of the past five years of Labour's failed activity, given that a deal could have been done in 2004 but was not?

Stephen Timms: My advice to the hon. Gentleman and the great majority of his hon. Friends is turn his fire on those on his own Front Bench and ask them to deliver the pledge that so many of them signed up to. At the moment, we are heading towards the prospect of that not being delivered.

Mr Jenkin: The Public Administration Committee will have to smooth these troubled waters, and I want to be clear about what the right hon. Gentleman is inviting the Government to do. Sir John Chadwick reported that

"the Terms of Reference require me to limit my considerations to those Findings that have been made by the Ombudsman and accepted by the Government",

so what he could recommend was thereby limited. Is the right hon. Gentleman now inviting the Government to ditch the report that his Government commissioned?

Stephen Timms: No, the position we are in now is that there are two quite different ways forward. One was recommended by the ombudsman. The previous Government saw some serious difficulties in that approach, so called on Sir John Chadwick to give advice. The Government now need to choose which of those two options they intend to follow. Their difficulty is that every Treasury Minister—including all those I have mentioned—has pledged to adopt the ombudsman's approach. The Government are currently saying both that they accept the ombudsman's recommendation in full, and that Sir John Chadwick's report is a building block for what is going to happen. Nobody knows what that means, however, as it is trying to ride two horses, when what is required is a decision.

Charlie Elphicke: As a member of the Select Committee on Public Administration, I know that we will take evidence from the ombudsman in due course. Can the right hon. Gentleman help me and the House by explaining what in his mind's eye were the "serious difficulties" with the ombudsman's report that he mentioned?

Stephen Timms: I will come to that in a few moments. There are some serious problems with the complexity of the procedure recommended. That is why, I think, the Government have realised that what they said before the election will not be honoured.

Mr Hoban: May I assume from what the right hon. Gentleman says that the Opposition policy is to pursue the outcome of Sir John's report?

Stephen Timms: Our policy is to proceed in the way we set out before the election—on the basis of what we promised our constituents on this matter—and to take forward what my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne) committed to: that when Sir John Chadwick's report was submitted in May, within two weeks of publication he would publish the Government's proposed scheme, including a timetable. Where we are now, four months later, is that nobody knows what the scheme is. There is a fundamental inconsistency in what the Financial Secretary is telling the House. Is he with the ombudsman or Sir John Chadwick? Nobody has any idea.

Mr Hoban: I just want to make sure that Government Members heard the right hon. Gentleman correctly, as I think he is saying that he supports Sir John's work, and would pay out exactly what he proposes.

Stephen Timms: My right hon. Friend the Member for Birmingham, Hodge Hill set out before the election the process that we would adopt, which remains our view of the right way forward. What I have no idea about is what the right hon. Gentleman intends to do. We wait with great interest to find out.

Several hon. Members *rose*—

Stephen Timms: Let me make a little progress and then I will gladly give way again.

I want to go back over the events of the period since 1990. The problems of Equitable Life occurred between 1990 and 2001. Lord Penrose concluded that it was principally the society's own actions that precipitated its downfall in the summer of 2000, but that regulatory system failures were secondary factors. The view of the previous Government, and my own, is that any scheme of payments needs to reflect that. Regulatory factors certainly did contribute: for example, a reinsurance treaty entered into by Equitable Life did not justify the credit that the company's regulatory returns took for it in 1998 to 2001, so the returns gave a misleading picture of the society's regulatory solvency position. Equitable Life's regulatory returns in 1990 to 1996 gave a misleading impression and should have been queried by the public bodies with regulatory responsibility at the time—but they were not.

I have referred to the clear apology to policyholders given by my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper) when she was Chief Secretary in January 2009 on behalf of the public bodies and successive Governments responsible for the regulation of Equitable Life for the maladministration that took place. My right hon. Friend the present shadow Chief Secretary did the same. I have yet to hear, however, any apology from Conservative Members for the shambolic system of financial services regulation that preceded the establishment of the Financial Services Authority. As many will remember, we had numerous little regulators of differing characters and sometimes overlapping powers. The deregulated financial markets of the early 1990s made a great deal of money

[Stephen Timms]

for some, but, as we are reflecting on today, brought misery to many others. That was when, under the Tory watch, things started to go very badly wrong at Equitable Life.

Mr Rob Wilson (Reading East) (Con): May I remind the right hon. Gentleman what the former Chief Secretary said when she was in charge of this matter? She said that she would compensate only policyholders who had suffered disproportionately. There was no timetable for that compensation, and there was no explanation of what "disproportionately" meant. Is it still the view of the right hon. Gentleman's party that policyholders should be means-tested?

Stephen Timms: My right hon. Friend the Member for Birmingham, Hodge Hill made it clear before the election that he thought that that was entirely inappropriate, so the answer to that question is no.

Parliament has recognised for many years that it is not generally appropriate for the taxpayer to pay compensation even when there is regulatory failure. The responsibility to minimise risks and prevent problems from occurring in a particular financial institution lies first and foremost with the people who own and run it. The Financial Services and Markets Act 2000 reaffirmed the long-standing exemption of financial regulators from liability for negligence in the courts. There would be serious repercussions for the taxpayer, and for the relationship between Government and financial markets, if the taxpayer were to provide a remedy for all losses every time the regulator failed to prevent a financial institution from getting into trouble.

Dr Sarah Wollaston (Totnes) (Con): Does the right hon. Gentleman feel that the emptiness of the Opposition Benches represents a lack of interest in trapped annuitants, or merely shame? I assure him that the fact that the Benches on this side of the House are so full represents a strength of opinion that we wish to express to our Minister on behalf of members of Equitable Life.

Stephen Timms: I wish the hon. Lady success. I believe that she is one of those who signed the pledge, and I am sure that she will be training her fire on Ministers. As I have said—and as EMAG has made crystal clear—we are currently heading for the breaking of that pledge.

Dr Julian Lewis: Does the shadow Minister feel that people who made dodgy investments in Icelandic banks are more worthy of compensation than people who trusted the Government and the regulatory authorities over Equitable Life?

Stephen Timms: I am not sure which investors the hon. Gentleman is thinking of, but I think it essential for us now to move quickly to a scheme. We need a timetable, and we need the details of a scheme, so that this long-standing matter can be resolved.

Toby Perkins: Many former Equitable Life policyholders who have spoken to me unquestionably felt that both previous Governments had been too slow to act. They will be very surprised by the extent to which Members who signed that pledge now apparently welcome proposals that are so far removed from what the Conservative and Liberal Democrat parties promised in the run-up to the election.

Stephen Timms: My hon. Friend is absolutely right. There is what I would describe as incandescence on the part of those who have been affected, because promises so clearly made to them before the election are not being fulfilled now.

Several hon. Members *rose—*

Stephen Timms: I am going to make a little headway before I give way again.

I have spoken about the ombudsman's proposals. Sir John Chadwick was asked to advise on a simpler scheme design. Before the election, the present Minister said that he accepted the ombudsman's proposal. The present Prime Minister, Deputy Prime Minister and Chancellor all signed the EMAG pledge. However, in his report, published in July, Sir John referred to

"the obvious impracticability—if not impossibility—of determining these questions on an individual basis".

The previous Government favoured his approach as a practical solution, but now the Minister says that it is one of the building blocks of a solution.

Several hon. Members *rose—*

Stephen Timms: I will make a little more progress, and then I will gladly give way again.

The ombudsman spotted a contradiction, and wrote to every member in July making that clear. She said:

"In the light of the new Government's commitment to implement that recommendation... the approach embodied in the Chadwick report has thus been overtaken by events and cannot provide a basis for the implementation of my recommendation."

In opposition, the Minister and his right hon. Friends could promise the earth, but now that they are in government their promises are worthless.

Nicky Morgan (Loughborough) (Con): The right hon. Gentleman has not yet mentioned the impact on the public purse. He does talk, however, about how incandescent former policyholders are. They are incandescent about the fact that compensation has been delayed for so long and that the last Government left the economy in such a mess, and as a result the ombudsman has had to say that compensation will have to be limited because of the effect on the public purse. How will Opposition Members explain that to policyholders?

Stephen Timms: If the hon. Lady had suggested that the words she has just uttered should have been inserted into the pledge before it was signed by so many Members on the Government Benches she would be on stronger ground, but she and many others gave the impression they were signing up to it in full. Indeed, they did sign the pledge as it stood, without those caveats, so it is no good their now coming back and saying, "We didn't quite mean what EMAG thought we meant when we signed that pledge." Therefore, this is the situation: the ombudsman says her proposal and Chadwick are irreconcilable, EMAG backs the ombudsman, and the Minister said before the election that is what he would deliver, but now he says the opposite.

Mr Weir: I am listening with interest to the right hon. Gentleman's comments. As I understand it, the Labour party's position is that it still supports Sir John Chadwick's work. If that is the case, can the right hon. Gentleman confirm that Labour would support whatever compensation package Sir John comes up with, or would it follow the coalition and put an arbitrary cap on that?

Stephen Timms: Sir John has, in fact, reported. He did so in July. That was rather later than he was going to report; he would have reported in May, and my right hon. Friend the Member for Birmingham, Hodge Hill (Mr Byrne) said that we would have produced a scheme within two weeks. As I have said, our view would have been that we should proceed as we had intended, and as we set out before the election, on the basis of the report that we commissioned.

The new Government delayed publication of the report until July, and we still do not know what the scheme will be. We know almost nothing about the timetable, but I am afraid it will not be what EMAG has been demanding, which it thought current Ministers were signing up to when they signed all those pledges. A great many people feel very let down indeed.

Margot James: The ombudsman has found much to welcome in the Bill and this Government's proposals, such as the independent commission, the compensation scheme, the enabling mechanisms to be set up, the transparency and the progress made. She has welcomed that. Are not Opposition Members therefore getting ahead of themselves in writing off what the Government are proposing? It is one thing for long-suffering members of EMAG to be in that frame of mind because they have been let down so many times, but Opposition Members are getting ahead of themselves. The compensation pot has not yet been fixed, and we are all keen to see the maximum allowance made within the context of the state of the public finances. Opposition Members are being far too negative.

Stephen Timms: The ombudsman has said that the Chadwick approach is no longer relevant because the Government have fully accepted her recommendation, yet the Government are saying that they accept that recommendation but that Chadwick is the building block for the future scheme. There is a fundamental contradiction in the Government's policy.

Mr Love: If I were Brian Pomeroy or a member of the independent commission listening to today's debate I would be confused, especially by the Minister's contribution, because he is trying to support both the ombudsman's report in principle and major parts of Chadwick's report. What is absolutely clear from the debate so far is that the response from Front-Bench Members to all questions about what the compensation pot will be is that the needs of taxpayers must be taken into account. Does that not fundamentally contradict what they were saying before the election?

Stephen Timms: Yes, it does. Of course it is absolutely right that the needs of taxpayers must be considered, but Government Members signed the pledge that made no reference to that, which is why they have got themselves into such serious trouble.

Mr Jim Cunningham (Coventry South) (Lab): Is not the fact of the matter that Members who are now in government knew what the economic situation was when they were campaigning in the general election, yet still signed those pledges?

Stephen Timms: That is precisely what happened.

I just wish to tell the House the main amendments that we will table in Committee. I hope that the first will meet no opposition, because it directly picks up on a point in the EMAG pledge. It will require that the payments scheme be independent of government. The Bill does not say that, but our view is that it should; indeed, the Minister has confirmed that he intends it to be independent.

The Minister made a slightly puzzling point in his statement to the House on 22 July, when he said:

> The ombudsman...concluded that the design of the scheme should be independent of the Government." [*Official Report*, 22 July 2010; Vol. 514, c. 577.]

That is of course true, but the ombudsman concluded that the scheme itself should be independent – that is the point that should be in the Bill, and it is crystal clear in the EMAG pledge. We will doubtless see lots of wriggling by those on the Benches opposite about exactly what was meant by the phrase "proper compensation" in the pledge once the figures are announced on 20 October; many Members will explain that they did not think it meant what EMAG members think it meant. But on scheme independence there is no wriggle room in the pledge, so we will table an amendment to make that a requirement.

Sajid Javid: I am grateful that the right hon. Gentleman started his speech by saying that his party would not oppose the Bill this evening. Many victims of the scandal will wonder why his party did not propose a similar Bill when it had the opportunity to do so. My question is a specific one; I am asking him to make something clear for the benefit of everyone watching this debate tonight. His party commissioned the Chadwick report and set the terms of reference. Chadwick said that his final loss figure is £400 million to £500 million. Does the right hon. Gentleman's party accept that amount or not?

Stephen Timms: Our intention, as I have said on a number of occasions, would have been to proceed on the basis that my right hon. Friend the Member for Birmingham, Hodge Hill set out before the election. He did not set out an amount, but he did set out a process, and we would have published within two weeks of the submission of the Chadwick report the timetable for the payments and the scheme itself.

Several hon. Members *rose*

Stephen Timms: I am going to make a little more progress.

Secondly, as we heard in an intervention that I welcome, we need there to be a clear appeals mechanism that is also independent of government. I believe that the Minister indicated that he was reflecting on an amendment to that effect. The Bill as it stands does not establish such a mechanism, and one should be put in place, because it is certainly necessary. If the Government do not table an amendment to do that, we shall.

Mr David Burrowes (Enfield, Southgate) (Con): For the benefit of my constituents, I want to establish where the Opposition sit on this matter. I understand that one of their critiques of the Government is that they have not responded more quickly to the Chadwick report. Is it right to say that had the Opposition been in government they would, within two weeks, have accepted the Chadwick report and proceeded on the "unsafe and unsound basis" that the ombudsman criticises? Which side of the fence does the right hon. Gentleman think that policyholders would sit? Would they wish to proceed with the Opposition—within two weeks on the Chadwick proposal—or to take account, as the Government are doing, not simply of Chadwick but of wider views?

Stephen Timms: The hon. Gentleman's difficulty is that a very large number of EMAG members feel that, under the basis that is emerging compared with the one that they were concerned about in the past, they are going to end up in an extremely similar position; they do not see that any progress has been made. That is why they are so angry about having been sold down the river, after so many people signed their pledge.

Several hon. Members *rose*—

Stephen Timms: I just want to run through the amendments that we want to table. Our third amendment will relate to the fact that the Bill does not say anything about the timing of the payments. As we have established in this debate, that is a crucial point. We will therefore table an amendment to require that either payments should start by a specified date or the Government should publish a report to explain why not. Our view is that that too should be in the Bill.

Our fourth amendment will pick up another important point in the EMAG pledge. Those who signed it committed themselves to vote for

"a swift, simple, transparent and fair payment scheme".

To enable the House to ensure that those criteria are met, we will table an amendment to include in the Bill a power to make regulations establishing the criteria for the scheme by the affirmative procedure. In that way, Members of the House and of the other place can consider the scheme before it takes effect and satisfy themselves that the criteria that Ministers signed up to in that pledge are delivered. We think it important that the House itself should have the opportunity to consider and debate the scheme. In that way, we can deliver that aspect of the pledge even though other aspects of it will not be delivered.

I have made it clear that we will support the Bill. We are still, I am afraid, a long way from having the scheme that Equitable Life members want. This has been a long-running and distressing saga and the Bill is a significant step, albeit one that still requires some improvement. On this side of the House, we look forward to arguing for those improvements so that those who have had to wait so long for help will at last receive it.

Several hon. Members *rose*

Madam Deputy Speaker (Dawn Primarolo): Order. I remind hon. Members that Mr Speaker has set a time limit of eight minutes for Back-Bench speakers. There are so many people who want to speak that I ask all hon. Members to help their colleagues wherever possible by speaking for less than eight minutes. We will have to consider progress in the debate later this evening, and whether everyone will get in. I also remind Members who feel that as they might not have a chance to speak they will therefore make an intervention, that the intervention should be brief, not a substitute for the speech that would otherwise have been made. I call Mr Bernard Jenkin.

Mr Bernard Jenkin (Harwich and North Essex) (Con) *indicated dissent.*

Madam Deputy Speaker: Mr Jenkin does not wish to speak, even though his name is on the list. In that case, I call Mr Alan Reid.

5.41 pm

Mr Alan Reid (Argyll and Bute) (LD): I welcome the Bill because it gives the Treasury statutory authority to make payments to Equitable Life policyholders. Those policyholders have waited a very long time to receive compensation for the injustices of which they have been victims. It is now more than nine years since the value of their policies was drastically cut. Sadly, many have since died and more die every day. I therefore welcome the speed at which the new Government have moved, which contrasts sharply with the snail's pace at which the previous Government made progress.

It has been clear since Lord Penrose published his report in 2004 that there was regulatory failure. The regulatory regime was not properly resourced. Natural justice indicates that policyholders should be compensated for the losses they suffered as a result of that regulatory failure.

In the six years since Penrose, we have had two reports from the parliamentary ombudsman. Those reports were well named. The ombudsman's first report, which was published in July 2008, was entitled, "Equitable Life: a decade of regulatory failure". That was followed in May 2009 by another report entitled, "Injustice unremedied".

I want to draw the House's attention to the coalition agreement, which states:

"We will implement the Parliamentary and Health Ombudsman's recommendation to make fair and transparent payments to Equitable Life policy holders, through an independent payment scheme, for their relative loss as a consequence of regulatory failure."

The key phrases in that agreement are an "independent payment scheme" and "relative loss", and that as recommended by the ombudsman. I also draw the House's attention to paragraph 7 of the second report:

"Accordingly, I explained that the aim of such a compensation scheme should be to restore anyone who had suffered a greater loss, relative to that which they would have suffered had they invested in a comparable scheme with another company, to the position they would have been in had no maladministration occurred."

So the coalition agreement commits the Government to compensating for the "relative loss" suffered by the policyholders.

After years of delay, the previous Government commissioned the Chadwick report, but Sir John Chadwick's remit was flawed because he was allowed to consider only those parts of the ombudsman's findings that had been accepted by the previous Government. The ombudsman wrote to MPs on 26 July, saying that the Chadwick proposals were an

"unsafe and unsound basis on which to proceed."

Bearing in mind the ombudsman's report and the coalition agreement, I urge the Government not to require the independent payment commission, through its terms of reference, to have regard to Chadwick's report because it has been so clearly discredited.

The Chadwick report uses a series of dubious calculations to cut the proposed compensation to about a tenth of the relative losses that were estimated by Towers Watson, which had been commissioned by the Treasury to calculate the losses suffered by policyholders. Chadwick makes many dubious claims, the most ridiculous of which is his estimate that even if the regulatory regime had done its job, about 75% to 80% of Equitable Life investors would still have ignored the regulator and put their savings into an obviously failing company. I find that assertion completely incredible. Sir John then used that figure to reduce the compensation payments by between 75% and 80%. I hope that the independent payments commission will conduct its own analysis, because I am sure that it will find that that figure is completely ridiculous. Because of the flawed Chadwick remit, the Government should delete all references to that report from the independent commission's terms of reference.

The ombudsman recommended that it was appropriate to consider the potential impact on the public purse of any compensation payment. That has always been a part of her reports, but I urge the Government, when they consider that recommendation, to bear in mind that Governments always want people to save and invest for their retirement. If people lose confidence in regulators, they simply will not save and invest for their retirement, and that will cost Governments more in the long run. People are not going to save or invest if they cannot be convinced that they will be compensated fairly if a future regulatory regime fails in the way that the past one did.

The Bill paves the way for a compensation scheme that policyholders have waited for nine years to see. The scheme can be made affordable by spreading payments over several years, as proposed by EMAG. The coalition agreement sets out the principles that should be followed: there should be an independent scheme and there should be fair and transparent payments for relative loss as a consequence of the regulatory failure. As long as those principles are followed, the surviving Equitable Life policyholders will at long last see justice done.

5.47 pm

Frank Dobson (Holborn and St Pancras) (Lab): I support the Bill because it will enable Equitable Life policyholders to start getting paid. Those people put their savings into what was Britain's oldest and, as far as they were concerned, most reputable savings institution. They were not like the people who put their savings into outfits offering dubious and extraordinary returns, such as those who decided to chance their savings with the Icelandic banks. The Equitable policyholders are in their current position through absolutely no fault of their own.

So who was at fault? First, clearly, the people who were running Equitable Life were at fault. I do not think that anyone is going to dispute that. Secondly, the House of Lords was at fault in its judgment in the case of the guaranteed annuity rate beneficiaries. When it reached its decision, it knew what the consequences were likely to be for Equitable Life and other policyholders who would not benefit from that judgment. Rather ironically, the House of Lords showed no sense of what was equitable and not a grain of common sense. It decided that it would award justice to one small group of people, almost automatically resulting in injustice for a much larger group. In view of the dubiety of certain organisations with which people put their savings, we need to look at the law to see whether we can enable the courts to come to what might be described as an adjudication rather than a judgment, where a judgment in favour of one group of innocent people might be very damaging to another group of innocent people. The Treasury, the Financial Services Authority and others were clearly at fault. Nobody can deny that, but at the time that the first ombudsman's report came out, I believed she was wrong as well. In my judgment, her judgment did not give enough weight to the primary shortcomings and primary fault of Equitable Life, and attributed too much fault to the regulators.

Clearly, the Government were at fault in their response to that report. It was understandable that they did not fancy the establishment of the principle that people could seek compensation from a regulator. That is not an unsound concern on the part of a Government, who might not want to be subjected to all sorts of court actions—for example, when somebody decides that the police have failed to prevent burglaries in their area and seeks to bring a case against them. The financial services industry is keen always to blame regulators, as it has done in a big way.

Things changed at the time of the credit crunch. All questions about protecting the taxpayer fell away. All the old restraints fell away. The banking and savings industry, run by people of infinite greed and stupidity, was so hopeless that it was decided on both sides of the House that not only the people who had put their savings in them, but the institutions themselves, were entitled to be bailed out. From that moment on, I was convinced that had the Equitable Life issue arisen in 2007, 2008 or 2009, there would have been no doubt: we would all have agreed that the people who had lost their money should be properly compensated, and by the taxpayer. That is what we now have to do if we are to give people a sense of security in their pensions and savings.

Dr Andrew Murrison (South West Wiltshire) (Con): Will the right hon. Gentleman give way?

Frank Dobson: No, I do not want to. We must get on.

As my right hon. Friend the Member for East Ham (Stephen Timms) said, the Conservatives and Liberal Democrats attacked the Labour Government—as far as I was concerned, quite rightly—and said in opposition that they strongly supported the ombudsman's recommendations. I do not recall my opponents at the last election getting up and saying, "Well, there were a few caveats in the ombudsman's report," and I doubt whether that crossed Tory or Lib Dem lips anywhere else in the country.

Before, during and after the general election, the two parties that now form the Government thrice promised that the ombudsman's report would be implemented, and they had better get on with it. However, their form of getting on with it is to establish yet another commission. That may work swiftly; I do not know. I have a question

[Frank Dobson]

which I hope the Minister will answer. If the commission comes up with a scheme that EMAG does not like, will he send it back to the commission and insist that it comes up with a scheme acceptable to EMAG? I am happy to give way to him if he would like to contribute to the debate.

Once everyone has been paid, the situation is still not sorted out. We need to look closely at better regulation of those who are taking in people's savings. We need to look at the regulatory system to see whether that can be strengthened in various ways. Finally, as I suggested, we need to change the law so that in circumstances like those that originally arose in Equitable Life, the courts can adjudicate between two innocent parties, not help one lot and hammer the other.

5.54 pm

Fiona Bruce (Congleton) (Con): It is an honour to make my maiden speech as Member of Parliament for Congleton. I recognise that I have much to learn as I succeed Ann Winterton who, over 27 years, conscientiously, consistently and courageously represented the interests and values of its people. I will endeavour to do the same, at least in my commitment to my constituents. My length of tenure I leave to them!

It is also a privilege to follow Ann in another respect. She served as chairman of the all-party parliamentary pro-life group. I am honoured to be its vice-chairman. I believe that no insignificant person has ever been born.

The market town of Congleton today has its origins as a northern mill town. I grew up largely in a terraced house in another northern mill town, Burnley, where my grandmother started weaving in the cotton mill as a girl, my father wore clogs at school and much of the life rawly depicted in William Woodruff's book, "The Road to Nab End", was for them a reality. But education, aspiration and determination, and the support of a loving family and strong local community, all of which I witnessed and benefited from as a child, and which inform my engagement in politics today, were key to my family's circumstances changing for the better. For all that, I am grateful.

My constituency comprises not just the town of Congleton, but Alsager, Middlewich and Sandbach, interspersed with lovely Cheshire countryside and close-knit villages like Holmes Chapel and Goostrey. Many features make it attractive for locals and tourists alike—indeed, I staycationed there this summer, enjoying the ancient town of Sandbach with Saxon crosses in its cobbled square; the lovingly maintained centuries-old black and white timbered National Trust property, Little Moreton Hall; the world-famous Jodrell Bank telescope; and the canals of the Cheshire ring, formerly industrial, conveying salt and pottery, now populated with prettily coloured narrowboats. I have enjoyed winter "Snowdrop Walks" through Rode Hall's woods, a brisk hike up the hill, The Cloud, to watch Easter day's sunrise, the Green Flag award-winning Brereton Heath country park, and a summer stroll beside the boats on Astbury Mere.

Do visit! But not just for the loveliness of the area. What makes Congleton for me the most wonderful constituency to serve is something else. It is its people—friendly, unaffected and unassuming. No one could have welcomed me more warmly as their new MP. I am most appreciative. The people of Congleton constituency have an outstanding commitment to community and family life. Voluntary organisations flourish. Support for the brave men of the Mercian Regiment is active and heartfelt.

Yet today these Cheshire towns face substantial challenges and change—a loss of traditional industries; farmers facing economic and bureaucratic challenges; insufficient jobs for youngsters meaning that they have to move away to work; challenges for the independent retailer on the high street; skills shortages in areas such as manufacturing and engineering; and a disproportionately higher than average older population to care for.

Yet are the good people of Congleton complaining or holding pity parties? No! Quite the opposite! They are pluckily rising to these challenges, actively looking at how, together, we can respond to them, and saying, "For such a time as this, we are not part of the problem. We are part of the solution."

Employers, such as Convert2Green, Ideal and Siemens are saying, "If we cannot find the skills, we will train them." East Cheshire chamber of commerce is organising advice on topics as diverse as export licences and shop doctors. Local traders' groups such as STAR—Sandbach Traders and Retailers—and Alsager chamber of trade are developing new ways to promote business and local produce, like farmers markets. The Congleton Partnership and Middlewich Vision are determinedly championing vibrant community life. Enthusiastic residents are giving time in Clean Teams, Milton Gardens, Rotary and Holmes Chapel Village Volunteers. Farmers like the Riddells are investing in technology while also diversifying into hospitality. Cheshire East council members and officers are open to talks with innovative community groups, such as Plus Dane and Crossroads Care, about how best to care for our elderly, whilst recognising that supporting families who care is, where possible, the best solution of all. We have town clerks—Jonathan Williams, Terry Fitton, Ann Banks and Brian Hogan—with real hearts for their towns and a pride in their heritage and excitement about their future; and we have inspirational head teachers for whom their community role is much more than a job. Several local newspapers flourish, defiant in the face of today's media challenges, promoting local life and values. They include the Sandbach and Middlewich edition of the *Crewe Chronicle*, the *Middlewich Guardian*, *The Sentinel* and *The Congleton Chronicle*, in which the eagle-eyed Mr Grumpy ensures that we laugh at ourselves weekly. Hats off, too, to that paper's young reporter who, rightly affronted, took up with me the case of a young girl who, through the local job centre, was offered employment involving sex work. A few weeks later we saw this Government change the regulations, banning that practice nationwide.

Strong community leaders abound: Stephen Hodgkinson, helping the homeless, indebted and addicted—a hero in his home town; Matthew and Christine Wright, supporting the "Special Treasures" disabled children's group; Ian Bishop and Julia Brumby, initiating "Street Pastors" to get alongside youngsters on the street at night; and David Page, gently inspiring and encouraging people to rebuild together after their community hall burned down.

Individuals like those may never hold elected office, but they are motivated by nothing more—and nothing less—than the desire to make a positive difference, often

while facing challenges themselves. They understand that creating a society worth living in, and of which we can all be proud, involves not so much what we can get, as what we can give.

Throughout the country today, people are asking, "What is the Big Society?" I say, "Come to Congleton! It is already here!"

I have highlighted, in this my maiden speech, the importance of personal responsibility, but I do not deny the need for a Government safety net to protect the most vulnerable or those suffering injustice. Equitable Life investors in my constituency took personal responsibility for their provision and were failed by the very Government regulator which should have protected them. They include people such as Stan Nin, a stoic Sandbach resident aged 80, who has lost the benefit of some £350,000 and cannot now even afford to run a car, let alone have a holiday. We cannot compound injustice on injustice; we must pay proper compensation, and do so soon as a priority to older trapped annuitants such as Mr Nin.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order.

6.2 pm

Mr Mike Weir (Angus) (SNP): I am pleased to follow the maiden speech of the hon. Member for Congleton (Fiona Bruce). Ann Winterton will be a very difficult act to follow, but I am sure that the hon. Lady will be a fine representative of the people of Congleton in years to come.

On the Bill, the Scottish National party and Plaid Cymru have always supported the campaign to bring justice to the victims of Equitable Life. I am clearly pleased that we have before the House a Bill that will bring compensation a little closer, and we will support its Second Reading. The real problem, however, is that it simply sets up a mechanism for which a scheme can be introduced, presumably, through secondary legislation. I tackled the Minister on the question of whether the scheme would be debated on the Floor of the House, but I received no answer. Given the significance of the matter, it is important that it comes to the Floor of the House so that we can have a good look at the proposal.

Given the further fact that the independent commission is not due to report until early next year, it appears that the victims of Equitable Life will have to wait another year or so before they know what, if anything, they will receive in compensation. That is also a problem, as members still do not know the specifics of the scheme. The huge concern of my affected constituents is that recent Government statements point to a watered-down scheme that is not that different from what the previous Labour Government proposed, except for the innovation of an overall cap on payments. That proposal will cause fear among many victims because if that cap is imposed, it will heap injustice upon the great injustices that those people have already suffered.

Jonathan Edwards (Carmarthen East and Dinefwr) (PC): Does my hon. Friend agree that it is essential that the scheme rules out the Chadwick report's proposal of a payment cap for each policyholder, which would limit compensation to between only £400 million and £500 million?

Mr Weir: The policyholders are entitled to due compensation, and I shall address that point in a moment.

I remind Government Members that the coalition agreement clearly states:

"We will implement the Parliamentary and Health Ombudsman's recommendation to make fair and transparent payments to Equitable Life policy holders, through an independent payment scheme, for their relative loss as a consequence of regulatory failure."

Will the Minister tell us how that statement can be reconciled with the letter that the ombudsman has sent to all Members, in which, referring to Sir John Chadwick's recommendations, she states:

"I also explained to him the basis on which I had come to my conclusions and what my recommendation for compensation involved. I am very disappointed therefore to discover that Sir John has explicitly rejected those explanations and that assistance and has substituted his own interpretation of these matters without seeking my further comments."

That is a fairly damning indictment of what is now proposed. I stated in the previous debate on the matter that the failure to support our own ombudsman brought great shame on the previous Parliament, but, if we do not act now to re-establish trust in the system and listen to what our own independent ombudsman says, it will bring shame on this Parliament as well.

Prior to the election the Conservatives were clear in their view, and in March the motion before Members specifically stated that the House

"calls on the Government to set a clear timetable for implementing the Ombudsman's recommendations and remedying the injustice suffered by policyholders."

Regrettably, that does not seem to be what is now proposed; the new Government seem to have pretty much jettisoned the ombudsman's recommendations and adopted the process that the previous Labour Administration were putting in place—a system that the Conservatives roundly condemned prior to the election.

I do not quite share the indignation of Labour Members on this matter, because, if one reads carefully the speech given in the March debate from the now Minister, one discovers that the seeds of the current situation were already sown. He stated:

"The hon. Gentleman refers to the bill for compensation, but no one knows how big that will be. That figure will be part of the outcome of the process that the Government launched back in January last year. He will know, from reading the ombudsman's report, that her recommendations on compensation had two important caveats—that payments to policyholders should reflect relative loss but that the impact of any compensation bill on the public purse should be borne in mind."—[*Official Report*, 16 March 2010; Vol. 507, c. 744.]

It seems to me, however, that only the second part of that statement is now the overriding consideration, and that the question of the amount of compensation has little to do with relative loss, being concerned purely with the perceived state of the public finances. We have moved on from means-testing the victims to means-testing the Government before deciding the level of compensation.

The problem with that approach is that it sets a very dangerous precedent. The Government, through the regulator, were responsible for what happened at Equitable Life, and the maladministration that occurred led directly to the losses suffered by the policyholders. However, the Government are effectively going to cap the amount of compensation at what they think that they can afford

[Mr Weir]

and, worse still, as part of a comprehensive spending review that is expected to impose swingeing cuts on all Departments.

I wonder how I would get on if I drove my car into a Porsche, causing many thousands of pounds worth of damage, and said "Sorry for your loss, but I can only afford to pay a small proportion of the damage." I suspect that any court in the land would give me very short shrift. It is a principle well established that those who have caused the damage are due to make recompense. That principle appears to have been watered down in the case of Equitable Life policyholders, and, as the right hon. Member for Holborn and St Pancras (Frank Dobson) said, that is not the case for other victims of financial circumstances.

In previous speeches, the Minister has praised the Equitable Members Action Group for its excellent work in keeping the matter in the public eye, and rightly so. Given that, we should take on board the very real concerns about what is now proposed. The group has made clear its concerns in three main areas, including the continued reliance on the Chadwick process, the remit of which was devised by the previous Government and clearly intended to minimise payouts. Indeed, the previous Administration did not accept many of the ombudsman's findings, coming up instead with a system of ex gratia payments to which many of us objected at the time. We in the SNP and Plaid Cymru supported Liberals and Tories in that objection. The important point is that the basis on which Sir John Chadwick was carrying out his work was that adopted by the previous Government. I remind Government Members that they supported the recommendations of the ombudsman in their manifestos and the coalition agreement.

The losses are to be calculated by the Treasury and not by the independent commission, and indeed the very basis on which that is to happen is moving from the relative loss identified by the ombudsman to an absolute loss method adopted by Chadwick. That reiterates the importance of debating the terms of the scheme on the Floor of the House. Furthermore, the commission is left with the unenviable task of distributing inadequate compensation, having had no say in calculating the true losses.

The policyholders of Equitable Life were treated shamefully by the previous Government. In opposition, the coalition parties promised to take action, but unless they tackle the concerns raised by policyholders and the ombudsman, this issue will continue to undermine the standing of this Parliament, faith in our ombudsman service and, as was pointed out, the continuing faith of all our constituents in saving for their futures; they might not be assured that their savings will be protected when investing with apparently reputable companies.

I urge Ministers, even at this late stage, to address these issues and come forward with a scheme that will bring this sad debacle to a just end. We should be given the opportunity to debate the scheme on the Floor of the House, so that we can be assured, and we can assure our constituents, that everything possible is being done for the unfortunate victims.

6.11 pm

Tracey Crouch (Chatham and Aylesford) (Con): As requested, I shall keep my contribution short. First, I congratulate my hon. Friend the Member for Congleton (Fiona Bruce) on her excellent maiden speech, which was made during an extremely important debate for her and other Members' constituents.

I have listened to the debate with considerable interest and should say at the very outset that I congratulate the Minister, who has done more for Equitable Life victims in his first 10 weeks at the Treasury than the last Government did in 10 years. The Equitable Life saga is comparable to an epic Shakespearean tragedy; the only difference is that even in Shakespearean tragedies there is an element of comedy. There is nothing funny about the Equitable Life story—it is a sad, tragic and complex affair, littered with incompetence and failure, but most of all with personal loss and hardship.

My constituency is no different from any other represented in the House; many people there are affected by the society's failure. I am told that there were 470 Equitable Life policyholders in Chatham and Aylesford at the time of the collapse. That figure, however, accounts only for those constituents who held Equitable Life policies solely; it does not incorporate those who made additional voluntary contributions to their pensions. The revised figure, including those who made additional voluntary contributions, could be up to three times greater.

Unsurprisingly, I, like many Members here, have been contacted by policyholders, some of whom have lost tens of thousands of pounds and are now suffering financially as a consequence. The overwhelming feeling among policyholders in my constituency is one of injustice. They feel let down enormously by the last Government, who showed very little interest in trying to compensate their losses at a time when, to be frank, full compensation could have been afforded. Now, with the coffers bare, it is up to the coalition Government to try to provide fair and transparent payments.

Although I feel for the Minister, who is in charge of conjuring up money that does not exist, it is the victims in my constituency for whom I reserve my sympathy. They are the ones who have lost their savings.

Margot James: Will my hon. Friend give way?

Tracey Crouch: If my hon. Friend does not mind, I shall press on, as time is short.

Those victims put their faith in a financial institution to look after their money and in a regulatory system to protect it, but both failed them and they now face a very different retirement from what they had planned. I have always felt that there was an assumption that every person who had invested in Equitable Life was wealthy and that therefore their loss did not matter so much. That is simply not true. I have had letters and e-mails from people who were never rich, but had just sensibly put money aside, as Governments want them to, on a guarantee that in the end turned out not to be worth the paper that it was written on.

Sadly, it is estimated that nationally 7% of Equitable Life policyholders have passed away since the collapse. Applied to my constituency, that statistic equates to 33 policyholders. Thirty-three does not sound like a large number, but it is important to remember that as a

direct result of the previous Government's wilful inaction, 33 people have not lived to receive compensation for their loss. I welcome the Minister's previous comments on the provision of justice for the deceased and I urge him to ensure that it, too, is fair and transparent, for the sake of the surviving family members.

The Bill is, I appreciate, one that enables the technical provisions that, fundamentally, will provide compensation to those who lost money in the collapse of Equitable Life. It does not provide a figure for compensation. To be honest, I do not like that, although I understand it. However, I want to take this opportunity to urge the Minister to be as generous and creative as he can possibly be on this matter. The country might be bankrupt right now, and full compensation is impossible. But in the future, when the economy has returned to full health, further payouts could be authorised. I am not asking him to decide today on future payouts; I merely want him not to close the door on the suggestion.

I congratulate the Minister on his progress. I will be supporting the Bill in the House tonight. I simply ask him to remember the human cost of this tragedy and to do all he can to ensure that fair and transparent compensation is exactly that.

6.16 pm

Mr Fabian Hamilton (Leeds North East) (Lab): Before I start, I have an apology to make to the House. Owing to a prior, long-standing commitment, I shall not be present at the winding-up speeches and the conclusion of the debate.

Like so many Members on both sides of the House, I have tried over the past few years to champion the cause of my constituents who have suffered—through no fault of their own—because of a catastrophic failure of regulation by the Government of a previously sound and trusted financial institution. I do not want to rehearse yet again the history of how that failure, which has blighted so many lives, came to pass. I am pleased to see that this afternoon we are debating the Second Reading of a Bill that will pave the way for compensation, now long overdue, to be paid to long-suffering Equitable policyholders, especially the trapped annuitants.

Since my Adjournment debate on 24 June 2009, I have spoken in the House without fear or favour on behalf of so many who did not have a voice of their own. I have also spoken in this House to put the case that is so well presented by the Equitable Members Action Group, or EMAG.

I dare say that I have not made myself very popular with my Labour colleagues and friends who, until 6 May, were members of the Government. Sometimes, however, even politicians have to put personal ambition aside and embrace an important principle. Never more so than in this case; the question is one of a moral obligation to a group of people who not only wanted to provide for their own retirement but were actively encouraged to do so by the Governments—both Conservative and Labour—of the day.

Therefore the only people who are important in today's debate are those who have already waited more than nine years for recompense and are still waiting. I am thinking of constituents such as Mrs Ivy Robinson, who lives in Roundhay in my constituency of Leeds North East. She contributed all her working life to save for a personal pension, which promised to give her just over £400 a month, but she is now having to manage on less than £180 because of the failure of Equitable.

As we have heard time and again in debates in this House and elsewhere, the vast majority of Equitable policyholders are not rich people, but ordinary folk who simply tried to be careful with their hard-earned money in order to ensure a comfortable retirement. The average investment was only £45,000—enough to yield, according to EMAG's calculations, just £300 a month. They have been badly let down.

Ann Abraham, the parliamentary ombudsman, could not have been clearer in her recommendations and has spoken out on many occasions to tell the Government what was necessary to put right the wrongs caused by Equitable. The Government have largely ignored her sound advice. The former Chair of the Public Administration Committee, Tony Wright, already quoted this afternoon although no longer a Member of the House, was outspoken during the last Parliament in his support for Equitable Life policyholders. In part of the introduction to his Committee's report to the House in December 2008 he stated:

> "Over the last eight years many of those members and their families have suffered great anxiety as policy values were cut and pension payments reduced. Many are no longer alive, and will be unable to benefit personally from any compensation. We share both a deep sense of frustration and continuing outrage that the situation has remained unresolved for so long."

The then Conservative Opposition were vocal in their support for Equitable policyholders, as were many Labour and Liberal Democrat Members, and in October 2009 the Conservatives used an Opposition day debate to raise the issue once again in the House. They did so again in March this year, shortly before Dissolution. I spoke in both those debates and have been consistent in my support for the moral obligation that we owe those who have suffered and continue to suffer. In November 2009, EMAG organised a rally in Westminster Methodist central hall, which was very well attended and at which the Financial Secretary and I spoke, among many others.

On 24 February this year, the former—now shadow—Chief Secretary to the Treasury attended a meeting of the all-party group on Equitable Life in one of the Committee Rooms upstairs, together with Sir John Chadwick and around 90 Members of this House. In 13 years, I have never seen so many MPs attend an all-party group. What a shame the room was far too small and everyone was squeezed in with standing room only, just like the underground during the rush hour. Sir John attempted to justify his terms of reference—for which he was not responsible, of course—and tried to answer questions about his forthcoming interim report during some very angry questioning by Members. However, as my right hon. Friend the shadow Financial Secretary said, in July the ombudsman wrote to every Member about the Chadwick process, making it clear that

> "Sir John's terms of reference included the rejection or qualification by the previous Government of many of my findings of maladministration and injustice and the rejection of my recommendation. In the light of the new Government's commitment to implement that recommendation in full, the approach embodied in the Chadwick report has thus been overtaken by events and cannot provide a basis for the implementation of the recommendation."

[Mr Fabian Hamilton]

So now we come to the Bill. It is of course fairly innocuous, as it tries to pave the way for a scheme of compensation as yet unpublished; that is why Labour Members are not opposing it today. I support my right hon. Friend's suggested amendments, which I believe will go much further towards the delivery of a compensation scheme for policyholders, especially trapped annuitants, who have waited for so long. Unlike him, however, I have never supported the Chadwick process, and I am in complete agreement with the parliamentary ombudsman, who says, again in her letter of 26 July, that

"the Chadwick *proposals seem to me to be an unsafe and unsound* basis on which to proceed."

While I have always been determined to try and ensure that this issue is lifted above crude party politics, I have to admit to being very uncomfortable at the EMAG rally last November when the hon. Member for Fareham (Mr Hoban), now the Minister, made a scathing attack on the then Labour Government. In the spirit of cross-party support for the victims of Equitable's failure, I have always refrained from attacking the Conservatives, so let me simply say that I am disappointed that the Chadwick process continued after pledges were made to abandon it, especially in the light of the ombudsman's criticisms. I am also upset that a ceiling of roughly 10% of estimated losses has been placed on any compensation scheme. This appears to go against the EMAG pledge that many right hon. and hon. Members—including, I believe, the entire Government Front-Bench team—signed before the election, and which committed each signatory to

"vote to set up a swift, simple, transparent and fair payment scheme—independent of Government—as recommended by the Parliamentary Ombudsman."

We are not there yet by any means. This Bill might be a building block, but it is only Lego-sized at the moment. I hope that the Government will think carefully and adopt the helpful Labour amendments very quickly in order to show our constituents that, at last, Parliament means to right this wrong.

6.23 pm

Stephen Lloyd (Eastbourne) (LD): I, too, congratulate the hon. Member for Congleton (Fiona Bruce) on her maiden speech. In the spirit of fairness, I also pay tribute to the right hon. Member for Holborn and St Pancras (Frank Dobson) and the hon. Member for Leeds North East (Mr Hamilton). Much of their approach to this issue showed that there is an element of fairness among Labour Members, and I appreciate that.

We all know why we are here today, and we all know the financial constraints that we are facing. I should like to concentrate on three key proposals on how we can bring proper and fair closure to this whole lamentable episode. The first issue is regulation. Clearly, Members on both sides of the House recognise that regulation completely failed. To an extent, that gives us a very strong moral case. Irrespective of the financial challenges the country faces, the comprehensive failure of the regulators was so shocking that it should provide enough impetus for our coalition Government to go the extra mile to ensure that Equitable members receive the appropriate compensation.

I had a meeting with EMAG yesterday, and one of its representatives told me that—I cannot vouch for whether this is absolutely true—because the regulators apparently knew a good few years before the company hit the buffers that its financial model was in such a poor state, they withdrew their pensions from the Equitable Life package. If that is true, it is absolutely disgraceful. It demonstrates what an atrocious job they did and emphasises that there is a very strong moral case for the payment of fair and appropriate compensation, irrespective of the financial challenges we face.

The second issue, which has been raised by several speakers—I concur, and I hope that my hon. Friend the Minister is taking this on board—is about staged payments. We all recognise the financial problems that the country faces—I will not bang on about Labour's responsibility for that—and EMAG does too. I implore my hon. Friend to look favourably on the staged payment process—first, so that payments can be made immediately for people in the most desperate need; we all agree that that is essential. Equally, the advantage of making staged payments over the next 10 years, as EMAG accepts, is that it will be much more cost-effective and should allow the Treasury to manage fairer payments without causing too much grief to the Exchequer.

Thirdly, I urge my hon. Friend the Member for Chichester (Mr Tyrie), who is Chair of the Treasury Committee—he is no longer in the Chamber—and my hon. Friend the Member for Harwich and North Essex (Mr Jenkin), who is Chair of the Public Administration Committee, to invite the ombudsman to give evidence to their Committees, because her report, in its detail and expertise, completely blows the Chadwick report out of the water. That would, I hope, inform those Select Committees to the extent that they would be able to give a report to the Government that carried a considerable amount of weight.

In conclusion—I am determined to keep my contribution short because many of my colleagues want to speak; I hope that the Deputy Speaker will remember that when I next stand up to try to speak—we now have an opportunity to right a grave injustice. It is a grim situation. In Eastbourne, I have probably received more than 200 letters from people who have been affected. We are not talking about wealthy people; these are people who have scrimped and saved for most of their lives and through no fault of their own, and through the shocking irresponsibility of the regulator throughout the '90s, have ended up in a desperate state. There is a profound moral duty to resolve the situation as quickly as possible. I welcome the coalition Government's determination to honour their commitment. I am confident, because I am one of nature's optimists, that it will involve a higher sum than EMAG may fear; and if it is done over a staged process, it may even be a lot closer to what we all want and consider to be right.

6.28 pm

Gordon Banks (Ochil and South Perthshire) (Lab): I will also try to keep my remarks brief.

First, I associate myself fully with the remarks of my hon. Friend the Member for Leeds North East (Mr Hamilton). I look forward to seeing the amendments proposed by my right hon. Friend the Member for East Ham (Stephen Timms) as the Bill moves into Committee.

This is such an important issue to the people who have been affected by it, and we do need a solution, but I worry that the solution we will get from the Government will bear no likeness to what they promised or intimated when they were in opposition.

In terms of the number of representations from constituents, this is the biggest matter that I have dealt with since coming to this place. It is certainly the longest running issue for me, and many other Members will have had it on their plates for much longer than I have. However, we should think about those who lost their money. They have had worry and hardship from the start, and what is the solution? To my constituents who are affected, it is the implementation of the ombudsman's recommendations. Let us be honest: if we were personally affected, that is what we would want. It was what my constituents wanted from the last Government and what they expect from the current one.

The tone of the communications that I am receiving from my constituents is changing from blaming the Labour Government to blaming the Conservative party, the Liberal Democrats and the coalition Government. In reality, the blame game is not really productive, as the events of the past decade have shown. We all know that the problem and its causes have spanned different Governments, and that there have been failures by all parties. I worry that we are being set up for another failure, and I do not want that to happen to my constituents.

Alun Cairns (Vale of Glamorgan) (Con): Will the hon. Gentleman give way?

Gordon Banks: No, I will not.

Like other Members, I want the Government to have their moral hat on. Forgetting about the failings of the past, this is their opportunity to do right by those who have lost out, and their action should be moral, not party political. Ministers can stand up to Treasury officials and do what is right.

We have heard a lot today about the £5 billion price tag, but let us be clear that it is not £5 billion this year or next. As Members on both sides of the House have said, it could be spread over several years, or possibly decades. It does us as parliamentarians no good to throw telephone number-like figures around to frighten people into believing that we cannot do anything. We need to help the trapped annuitants who are locked into their losses.

I wish to address a point that Members from all parties have made. Many of the people affected are not rich. They span all walks of life, and they were doing the right thing by investing for their future. We need a commitment to help those people now, and we need costs to be allocated so that we understand the annual cost over, say, 10 years. However, we also need to be aware that about a third of the 1.5 million people affected had invested all their future in Equitable. Some of those people have lost their homes and cars, and with them their dignity, and we should take the opportunity to restore that dignity. As I have said, my constituents feel that despite their hopes, nothing has changed with the change in Government.

Alun Cairns: Will the hon. Gentleman give way?

Gordon Banks: No, I will not.

The situation has been a shock to my constituents and a disappointment to hon. Members of all parties, as we have heard from them. I am concerned that the Treasury is going to impose a limit, in the hundreds of millions of pounds, that will not address the problem, fulfil our moral obligation or improve the hopes and ambitions of many of my constituents. Will the Government confirm whether reports that the Treasury has already set aside money are accurate? If so, how much money and why that amount? Will that be the lot, and who will it be for? We hear a lot about a fair solution, and that is what we need, not just a fair process.

Some will ask why people continued to invest in a failing company. The problem was that there was nothing to cause investors concern. Perhaps if they had known what regulators knew—or should have known—and what Equitable Life itself knew, the situation would have been different, but they did not. That is the crux of the need for fairness.

This is an enabling Bill, and as such I have no problem with it, but we do not know what it enables. The water is murky. What will happen to trapped annuitants, including those who are still in work and will retire in future? What happened to the belief that the Conservatives would sort out the problem, and what has happened to bring the coalition around to embracing Chadwick in some way? The Government do not necessarily accept Chadwick, but they are preparing their information based on Chadwick's £500 million figure. I ask the Financial Secretary to do all he can to make the Government's position clear, because it is not clear to me, and judging from my mailbag it is not clear to my constituents. When he was in opposition he implied that he would sort out the mess, but now he is creating his own mess.

Perhaps I can leave Ministers with a few questions to ponder. Do the Government still accept the parliamentary ombudsman's recommendation, and do they accept her belief that the Chadwick advice cannot mesh with her recommendations? How will she be consulted about the Government's proposals, and as others have asked, when will the House have the opportunity to debate the Government's approach to compensation? Finally, and most importantly, when will the Financial Secretary stand up to Treasury officials and do in government what he promised to do in opposition?

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Before I call the next speaker, may I say that a lot of Members wish to speak? If they try to take less time than they had envisaged, I will be able to get through as many of them as possible. I believe that is part of the reason why Members are not giving way.

6.35 pm

Rehman Chishti (Gillingham and Rainham) (Con): Knowing that time is of the essence, I will apply the principle that brevity is a virtue and not a vice. Before I begin, I congratulate my hon. Friend the Member for Congleton (Fiona Bruce) on an absolutely super speech.

I very much welcome the Bill. Policyholders in my constituency were pushed from pillar to post by the Labour Government, and they had to get a judicial

[Rehman Chishti]

review. Even after that, the then Government would not accept responsibility. I welcome the current Government's intention to gain justice for policyholders and the fact that, within five months of their coming into government, there is a plan for redress for policyholders in my constituency and the country more widely.

I welcome the fact that the Bill does not predetermine the amount of compensation to be paid. I urge the independent commission to implement the parliamentary ombudsman's findings dated 28 July 2008, which recommended a scheme providing fair compensation to remedy any relative loss suffered by policyholders. Equally, however, when setting the compensation level we must take into account the financial situation in which we find ourselves as a result of the Labour Government's mismanagement. The same report by the ombudsman stated that it was

"appropriate to consider the potential impact on the public purse of any payment of compensation".

I share the concern of the ombudsman and policyholders about the Chadwick report, because it does not enable fair and transparent compensation.

I welcome the Bill and the fact that the Government are setting up an independent commission to oversee the design and delivery of the compensation scheme. I also welcome the fact that policyholders will start to recover and receive compensation by the middle of next year or sooner. Finally, I congratulate the Financial Secretary and the Treasury on bringing forward the Bill so swiftly.

6.37 pm

Ms Margaret Ritchie (South Down) (SDLP): I, too, congratulate the hon. Member for Congleton (Fiona Bruce) on making her maiden speech. She has a hard act to follow in Ann Widdecombe, and I hope that she will follow in her footsteps, if not her dance steps.

As you know, Mr Deputy Speaker, I represent a constituency in Northern Ireland. Like other hon. Members, I have been written to by many constituents, particularly elderly ones, about the unresolved, inexplicable and inordinate delay in bringing forward payments in a fair and equitable manner for Equitable Life policyholders. They are very proud people, many of whom are entrepreneurs in industrious communities. Some are farmers or bin men, and they represent a wide cross-section of the local population. Many of them are still waiting for the matter to be resolved, having waited a considerable time already.

I wish to make it absolutely clear that, in the majority of cases, those who invested in Equitable Life were not in the high income brackets. I can certainly say that on behalf of my constituents who were affected. In the majority of cases, their investment in Equitable Life over many years was itself a struggle to meet, but their sense of responsibility drove them to make that commitment to their future. I fear that when we talk of investors, it is all too easy to think about those in receipt of large pensions. We are talking about people in the lower and middle income brackets. Many of our constituents who are affected are farmers, fishermen, small business men, dinner ladies and librarians—and the list goes on. During their working lives, those pensioners contributed much to society for the minimum return.

There is a clear need to resolve the issue. Much forensic work has been done, including the reports of the ombudsman and Sir John Chadwick. However, we thought we had a resolution. On 11 May, the coalition Government issued a statement in which they agreed to implement the ombudsman's recommendation to make fair and transparent payments to Equitable Life members, but sadly that has not happened. Hon. Members are now aware that such "fair payments" will be based not on the guidelines set out by the parliamentary ombudsman, but on those set out by Sir John Chadwick, which the Bill seems to follow.

The previous Government's appointment of Sir John Chadwick was an attempt to devise a system of limited ex gratia payments, which would be made only to those who were disproportionately affected. The coalition Government appear to be continuing down that road, as we understand that the independent payments commission will abide by Chadwick's proposals. Victims will receive less than 10% of their losses, and the total sum that the commission is working to repay will be a meagre £400 million, in the face of estimates by the Treasury's own actuaries of much greater losses.

I caution the coalition Government against going down that route, not only on the grounds of the independent parliamentary ombudsman's recommendation and fairness for the many investors who have been left quite desperate, but on the grounds of what is right and proper at the heart of government. The handling of the Equitable Life issue by the previous Government and the coalition strikes at the heart of democracy and at the question of how the Government treat many people.

Alun Cairns: I certainly accept the hon. Lady's criticisms of the previous Administration, but does she accept that the coalition Government's prioritising the Bill early in this Parliament demonstrates some sort of commitment? However, I recognise the need for greater negotiation with EMAG to reach an appropriate settlement.

Ms Ritchie: It would have been much better for the coalition Government to implement the ombudsman's recommendations. That would have been much more democratic and it would have reflected the needs of all our constituents.

Sammy Wilson (East Antrim) (DUP): Does the hon. Lady accept that although the coalition Government have been quick to introduce a Bill that enables payments to be made, the level of payment is equally important to our constituents, as is the commitment, which was made by both parties in the coalition before they entered government, to implementing the ombudsman's report?

Ms Ritchie: I could not agree more with the hon. Gentleman. That is exactly right, and it is the kernel of the letters that I have received from my constituents. They want this matter resolved by amendments to the Bill to reflect what was said in the original ombudsman's report.

The parliamentary ombudsman's report is independent and transparent, but it is being overruled by a Government-directed report that results in less favourable terms for investors. Such injustice at the heart of successive Governments is a great slight on our democracy. I urge the Government, at this late hour—perhaps it is not too

late—to make amendments so that the Bill reflects clearly the ombudsman's report. Such amendments would show that we are truly earnest about helping some of the most beleaguered members of our society.

6.44 pm

Priti Patel (Witham) (Con): I pay tribute to my hon. Friend the Member for Congleton (Fiona Bruce) for her outstanding maiden speech, and for the beautiful tour of her scenic constituency.

Right hon. and hon. Members have a big responsibility to deliver a fair resolution to policyholders who have been affected by this scandal of maladministration by the regulators. As we have heard, when in opposition, Conservatives and Liberal Democrats quite rightly pursued and scrutinised the previous Government, and sought to hold them to account for neglecting Equitable Life victims and for failing to establish a long-overdue compensation scheme. We rightly acted in victims' interests to support them as the previous Government dithered, delayed and dragged their heels. Disgracefully, as we have heard, they left many policyholders to pass away, unable to receive the justice that they deserved. That applies to a number of families in my constituency. By contrast, we are passionately committed to delivering a fair, transparent and independent payment scheme for the losses that people incurred because of that dreadful regulatory failure. Obviously, the Bill is a strong, positive measure and a step in the right direction.

It is important to remember that Equitable Life policyholders did exactly the right thing. They chose to save for their retirement so that they could have a decent quality of life in their later years. One of my constituents wrote to let me know of a loss of something like £130,000 as a result of being forced to buy an annuity. There are some maths involved, but the loss works out at around £80,000 per year, which is a substantial amount of money to anyone, but particularly to a pensioner trying to make ends meet in this day and age. He is more than frustrated; he is desperate beyond belief to find out the next steps and what, effectively, he will get. Another of my constituents has had to rethink their plans for retirement off the back of their losses, and I could reel off a list of more than 100 names of constituents who have contacted me on this matter.

Heather Wheeler (South Derbyshire) (Con): Will my hon. Friend give way?

Priti Patel: I will not, if my hon. Friend does not mind.

The 1.5 million policyholders affected and their families desperately need certainty, finality and, frankly, closure on this lamentable situation. Although policyholders in my constituency broadly welcome the Government's decision and their commitment to begin making payments through the independent scheme next year, it is understandable that, owing to the actions of the previous Government, they remain sceptical. They have many probing questions for the Minister and the Government, as many colleagues in the House will recognise.

Transparency in the scheme is of course essential—the Minister referred to that—and although payments will begin next year, my constituents want to know when the process of making payments to all affected policyholders will be completed, as we have heard from other hon. Members. Let us be realistic. Processing payments is a challenging task made all the more arduous by the delays caused by the previous Government and the atrocious financial situation that we face, which we constantly hear about, but that is why it is important that all policyholders have their cases resolved promptly, in addition to receiving payments as soon as possible.

Where policyholders are not fully compensated for their losses, it is important that they are given clear reasons why not, and that they have an opportunity to restate their case when that is an option. I should welcome clarification from the Minister on any appeals process for policyholders who feel that an initial award by the independent commission is unfair to them.

The scheme will also need to address the implications for tax, tax credits, other benefits and means-tested benefits. Frankly, in view of the bureaucracy associated with Her Majesty's Revenue and Customs and the current crisis of HMRC demanding money back from hard-pressed taxpayers and pensioners, policyholders in my constituency are genuinely concerned that although they might receive some compensation, they might also get a letter from HMRC demanding money back. After a decade-long struggle to receive justice and payment, the last thing that those policyholders need is a letter on the doorstep from a heavy-handed bureaucrat demanding money back.

Lives have been ruined and it is scandalous that, two and a half years after the ombudsman reported, six years after Penrose and almost a decade after the whole scandal came to light, justice has yet to be delivered. It is right that the Government should tackle the issue and the Bill is a great step forward. Fairly compensating those who have lost out has to be a priority for the Government. Having seen the shambles of the previous Government, I welcome this Government's commitment to policyholders. The Bill is an absolute must and is long overdue.

6.50 pm

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): I add my congratulations to the hon. Member for Congleton (Fiona Bruce) on her maiden speech. I know that she has Scottish roots and she is already proving to be an assiduous member of the Scottish Affairs Committee.

Before being elected to this House in May I met Equitable Life policyholders from my constituency. I am indebted to Richard Cox, the local EMAG regional co-ordinator, for bringing me up to speed on the issue and the background to the Bill. I did not immediately sign the pledge to support EMAG, because I wanted to ensure that if I signed I would be able to carry through my commitment. Having met those affected and read the numerous reports on the issue, I judged that there is an indisputable moral obligation to compensate the Equitable Life policyholders, so I signed the pledge in the knowledge that I would be judged later by my actions and follow-through.

In today's debate Members on both sides of the House have said that there are areas on which we can agree and build consensus. We all seem to agree that a compensation scheme is important and must happen. The differences between us appear to be the vehicle for compensation, the amount, the timetable for delivery

[Cathy Jamieson]

and the payments. As I listened to the debate, I could not help wondering whether some of the exchanges would be seen as not especially helpful by those who want us to unite and find a way forward to helping those who have been affected by this issue. Some of the to-ing and fro-ing across the Chamber may make for a bit of sport and entertainment, but it does not move the debate on. I hope that we will be able to make progress in further contributions.

I do not have any difficulty with the principle of the Bill in that it will enable a payment scheme to be put in place for policyholders, but I do have reservations about the nature of the Bill, as I always do with Bills that do not contain much detail. It is all very well to lay down the general direction, but the Bill fails to answer several key questions to which those affected have long sought answers. For example, the Bill does not set out who will be entitled to what under the compensation payments scheme, but that is the essence of the issue. Despite all the numerous reports, inquiries and legal actions, the Bill empowers the Treasury to make payments, but gives no details. I regret that that is a pattern in the Bills introduced by this Government. The lack of detail also puts some of us in a difficult position. We want the compensation scheme to be put in place as quickly as possible, but we are reluctant to support a Bill that does not actually outline the detail of that scheme.

It is worth quoting the coalition agreement on this issue:

"We will implement the Parliamentary and Health Ombudsman's recommendation to make fair and transparent payments to Equitable Life policy holders, through an independent payment scheme, for their relative loss as a consequence of regulatory failure."

There were no ifs and buts in that statement, but we now seem to hear some maybes about what might happen in the future. I urge the Minister to ensure that not only the design of the scheme but its operation is independent of Government, and that is why I welcome the amendment we propose to table.

In the end, not this House but those who voted for the coalition partners will judge whether they have met their promises. Some of those who have brought their concerns to me would not naturally support my politics, but it has become increasingly apparent that while they may not have agreed with the previous Government's position, they at least knew what it was. Their problem now is that they feel let down, because they were given a clear commitment and now the Government are rolling back on that.

Chris Skidmore (Kingswood) (Con): Will the hon. Lady explain the previous Government's position and whether she agreed with it? As far as I am concerned, the House will vote tonight for compensation for the victims of a scandal—the people who waited 10 years under her Government and never got a penny.

Cathy Jamieson: I would point out gently to the hon. Gentleman that that is exactly the kind of intervention that people in my constituency do not find helpful. What they do find helpful is that we now have a Bill—albeit with some flaws—and I hope that the hon. Gentleman will support our amendments to it. It is important that we take this issue forward and resolve the matter speedily—

Chris Skidmore: You didn't answer.

Cathy Jamieson: It is no use the hon. Gentleman making interventions from a sedentary position when I am genuinely trying to point out areas where we can build consensus.

I hope that the Economic Secretary will address a couple of points. First, do the Government believe that it is their moral duty to compensate policyholders by choosing the issue of relative loss over absolute loss? Secondly, I hope that she will give consideration to the points made today about some compensation payments being made early. I heard what the Financial Secretary said about the need to put a scheme in place swiftly, but that is unlikely to produce any results until next year. Many of my constituents are anxious for some interim payment to be made by the end of this year and I hope that the Government will give some thought to that.

As other hon. Members have said, the Bill raises broader issues. It is clear that hard-working, decent and honest people who tried to do the right thing and provide for their families and their retirements have lost out. I hope that we will keep that in mind as we move forward with this Bill and in the debates to come.

6.58 pm

Mr Robin Walker (Worcester) (Con): I add my congratulations to my hon. Friend the Member for Congleton (Fiona Bruce) on her excellent maiden speech. In a spirit of fairness, I recognise that some Opposition Members have spoken passionately on this issue and gone against their Front Bench. It is unfortunate that Labour Front Benchers remain committed to the previous Government's position of not awarding adequate compensation to victims of this scandal.

I do not want to take too much of the House's valuable time as I am well aware of the many hon. Members who wish to add their views on this subject and raise the concerns of their constituents.

I wish to declare an interest, as set out in the Register of Members' Financial Interests, as I do some consultancy work with Finsbury Ltd, where I worked before my election to Parliament, which provides advice to the current management team at Equitable Life. But the interest for which I speak today is not corporate, but rather that of my constituents who were affected by this scandal and the basic concept of fairness, which is so key to this debate and this Government.

I do not intend to retell the stories of the countless constituents who have written to me, many of them those trapped annuitants worst hit by the scandal. They worked hard, did the right thing and put money away for the future. They were let down by poor management, dreadful regulation and a Government who did not care. I will not repeat the details of those cases as the House is already well aware of the need for justice. More than half of hon. Members signed the EMAG pledge during the general election and it is only appropriate that this subject should see such rapid progress early in the life of the new coalition Government.

Fairness was put at the heart of the coalition's programme for government and it is fairness that must remain at the heart of our approach to Equitable Life. I welcome, as the parliamentary ombudsman has welcomed, the clear focus, energy and rapid progress that the new Government have brought to this issue. I support the Bill entirely because it will enable compensation that is long overdue.

Alongside EMAG, I warmly welcome the appointment of an independent commission to allocate compensation, and the fact that within months we will know the extent of that compensation. It is tragic that so many Equitable Life members were allowed to die under the previous Government without compensation, and it will be a great achievement of the coalition that their heirs, as well as living members, will be compensated.

I cannot argue against any part of the Bill, but I want to take the opportunity to urge the Government to do even better than they have done already. Labour's shameful record extended not only to failures of regulation, to trying to avoid the issue for almost a decade, and to failing to act on the parliamentary ombudsman's report when they had it, but to second-guessing that report in a way that was ruled unlawful and to trying to wriggle out of paying fair compensation. The basis on which they did so must not become the basis of compensation today. In that context, I welcome the Minister's acceptance that elements of Chadwick are highly contentious, and I hope that he will act on that view.

The Government must ensure that, as the ombudsman recommended, people are fairly compensated for their relative losses. We are pledged to do so. Although I can understand why people who were let down for so long by the previous Government are wary of expecting fair treatment from any Government, I expect confidently that this one will show greater resolve for justice. I welcome the Minister's hard work on this subject, and I look forward with hope to hearing fair compensation being announced in next month's spending review.

It is a tragedy that Labour's failure to act sooner means that the debts they bequeathed us have to be taken into account. It is a tragedy, but one that the parliamentary ombudsman rightly acknowledged was always a possibility. The Equitable Life victims I speak to understand that, and they will also understand that, as the ombudsman recommended, the Government must take account of the impact on the public purse and their own fiscal situation in deciding the quantum of payment. In this unprecedented fiscal crisis, it would be wrong for the Government to put the compensation of one set of people, no matter how badly treated, before all else, because now, more than ever, we must adhere to the concept of fairness.

I urge the House to continue to progress this issue with all its might and with all speed possible, and to ensure that those constituents of mine affected by this tragedy can say that this Government, unlike their predecessor, were fair to them.

7.2 pm

Jim Shannon (Strangford) (DUP): I thank you, Mr Deputy Speaker, for allowing me to say some words in favour of the Bill, and I congratulate the hon. Member for Congleton (Fiona Bruce) on a very good maiden speech. The spirit of her predecessor certainly lives in her, and I wish her well in the Chamber.

A society is judged very much on how it treats its young and vulnerable, on how it looks after and cares for the elderly and on how the young are given opportunities. I hope, therefore, that no one is judging us in the Chamber by the standard we have set in the treatment of Equitable Life members, because if they are, they will be sorely disappointed. This debate has continued without redress, at least until now, and with no help from this place, at least until now, and EMAG estimates that about 32,000 policyholders have died since its campaign for compensation began—a stark figure already mentioned today—with members continuing to die at a rate of about 100 per week. Those are stark facts when we realise that these are people's lives we are talking about.

By the time this scheme starts paying out next year, 13,000 more members will have passed away, bringing to 43,000 the total number of people who have struggled more than is fair or judicious because no solution could be reached or help given by the Government when it was needed. I am glad, therefore, that today's legislative change is passing through the Chamber, and I look forward to further contributions when the programme goes forward.

I have some concerns, however, about the quantum. Everyone seems to be in favour of the process, but we have not been able to identify the percentage. I have been contacted by Equitable Life members, including a gentleman who is terminally ill—this sort of situation will be replicated across the whole United Kingdom—and is desperate to receive the money so that his wife will be able to live comfortably. Surely, this is the very thing that we should be trying to do; this is the whole purpose behind pension schemes and Governments encouraging people to invest in private pension schemes.

I stand here on behalf of that terminally ill gentleman and others like him. I could do nothing else, because my job as an MP is to fight on behalf of those who come to me. That is what we are here to do, and I urge that a reasonable solution be agreed today, so that people can receive their compensation in time for it to make a positive difference to their lives. I have constituents who were paid half of what they expected on the commencement of their pensions in 1992, when petrol was about 40p a litre. It is now three times that, and the pensions are worth half their value. That is an indication of where their pension schemes are and of how Equitable Life members are losing out. Lives have been severely affected, and it is our duty in this place to redress the balance as much as we can.

Sammy Wilson: Does my hon. Friend accept that it is the duty of the Government to take this matter forward, especially given that when in opposition and during the election the Conservative party pledged to implement the parliamentary ombudsman's report and recommendations, which for most people meant not a small fraction of their relative loss but substantial payments?

Jim Shannon: My hon. Friend must have read my mind. The parliamentary ombudsman's report describes the Equitable Life situation as a decade of regulatory failure, and her second recommendation is that the Government should set up and fund a compensation scheme with the aim of putting people who have suffered a relative loss back into the position they were in before maladministration occurred.

The issue facing us is the percentage of the value of the Equitable Life schemes. A report commissioned by the previous Government suggested that policyholders lost up to £4.8 billion in this debacle and proposed that they should receive a package of about £400 million. However, there is no guarantee of that figure, which has

[Jim Shannon]

been bandied about by many. They are not new figures, and I am sure that some here could repeat them in their sleep, especially the Financial Secretary to the Treasury, who has been reminded of them several times in letters from constituents of mine, forwarded through my office, yet they bear repetition so that all here will be under no illusion about the situation.

I remind hon. Members that this is not merely a number-crunching game that we are playing; we are playing with the quality of people's lives, and it is essential that the Bill be subject to any decision reached. In July, the Financial Secretary said in the House:

"Consistent with the ombudsman's recommendation, Sir John has advised that relative loss for an individual policyholder should be capped at the absolute loss they suffered." [*Official Report*, 22 July 2010; Vol. 514, c. 577.]

Yet I remind the Financial Secretary that when he was a shadow Treasury Minister he wanted to ensure compensation for injustice. I ask that this be done and that we compensate for the injustice that all those people have suffered over years of unnecessary struggle.

I agree wholeheartedly with Chris Wiscarson, chief executive of Equitable Life, when he said:

"Let's not make Equitable policyholders victims three times over. First, at the hands of the regulators, as so clearly articulated by the parliamentary ombudsman"

as colleague have indicated—

"second, at the hands of the Labour government who failed to bring closure over a decade; and now third, compensation that will be decimated if Sir John Chadwick's advice, meant for the Labour government and slated by the ombudsman, is used."

I am aware of the financial position. We all know that we have to make hard decisions over the next few years about how the money will be spent. We are not running away from that. Indeed, I am fighting against reductions in grants that mean that Northern Ireland Housing Executive constituents are living with damp in their homes; that worthy disability living allowance recipients are being stripped of their support; and that roads are ruining cars because there is no money to fix them. I see all of that, and everybody else sees it, but I accept that we must take into account the fact that the money is unavailable. However, to compensate Equitable Life members with 10% of their investments is scandalous and can never be acceptable.

Today, it is my desire, and that of many in the House, that reasonableness be made the basis of any decision.

Heather Wheeler: I wonder whether the hon. Gentleman is in the same position as I am. I have a family of constituents—two generations—affected by this problem, and the desperation of those who write to, e-mail and meet me in my constituency is phenomenal. Has he found that in his constituency too?

Jim Shannon: Yes, it is replicated, right across the United Kingdom, for families, individuals and others. Indeed, there is sometimes a whole string of people affected, including people with different jobs. It does not matter what their jobs are: they can be fishermen owning their own boats or bin men collecting bins and getting rid of the rubbish. Those are the ups and downs—the highs to the lows, and everywhere in between—so the hon. Lady is absolutely right: everyone is affected.

What really worries me is that those who are affected have reached the golden age of retirement, when their mortgage has been paid off and when they know that they do not need to work any more or slog their guts out—if I can use that terminology in this House—but have time to enjoy the finer things, such as laughter and joy with their families. The terrible, horrendous situation in which they find themselves has stripped too many of our pensioners of their joy and placed on their shoulders both financial worry and a burden that should be long behind them. Today is the day for us to shoulder some of that load and burden, and to help them along life's road. That is our purpose as MPs in this House. Today is the day for us to step up to the mark and reset the balance for those who have waited for help for some 10 years. Today is the day for action. Let it be the right action.

I finish with a quotation from a letter from one of the many people who wrote to me:

"I, like many others, in fairness expect and deserve compensation, as recommended by the Parliamentary Ombudsman and promised by the coalition Government, and not a figure based on the Chadwick advice, which the ombudsman himself described as an unsafe and unsound basis on which to proceed".

With that in mind, I would urge hon. Members to support the legislative change and the amendments that will arise from it. In my book, Mr Deputy Speaker, that is worth fighting for.

7.11 pm

Andrew Bingham (High Peak) (Con): I am conscious that many Equitable Life policyholders will be watching this debate this evening. Consequently, it is worth reiterating that the purpose of the Bill is to facilitate and enable the making of payments to those who have been affected. That is a fact of which we on the Government Benches can be proud. In just four months we have progressed more than the Labour party managed in 10 years. I am also pleased to hear that all parties will support the Bill this evening—although we should not be too self-congratulatory just yet.

Equitable Life members will be greatly heartened to learn that payments now seem to be imminent, but they are equally concerned about the likely level of those payments. I, along with many others, signed the EMAG pledge before the general election. Many Government Members are in the Chamber this evening because we signed that pledge, and because we are determined to prove our intention to try to honour it in the best way we can.

Bob Stewart (Beckenham) (Con): When we gave that pledge, we gave our word. It is difficult for all of us who signed the pledge not to give Equitable Life members—often people who will have put in their life's savings—fair, decent treatment and a proper compensation package. Does my hon. Friend agree with that?

Andrew Bingham: I do agree with that; indeed, that is the point that I am making. We signed the pledge and we are here to try to deliver on it. However, as we try to deal with the economic carnage left to us by the Labour party, the fact that we always said—I think that this was

the exact phrase—that whatever scheme was put in place would be subject to the impact on the public purse has become a more stringent condition and more restricting than we ever believed possible.

It is a crying shame that the Labour party did not deal with the issue earlier, before—to quote the right hon. Member for Birmingham, Hodge Hill (Mr Byrne)—there was "no money left". Had the previous Government done so, it would have been easier to make a more generous and just settlement. The decent thing at the right time would have saved so much pain and heartache for so many of my constituents in the High Peak and so many constituents of fellow Members. We find ourselves in a position where we wish to honour our promise—our pledge—yet we are hampered in our efforts by the rashness of our predecessors.

I am conscious that many of my colleagues wish to speak in this debate. In accordance with your earlier wishes, Mr Deputy Speaker, I am determined to be extremely brief. However, I would ask the Minister to remember the pledge that we all signed. EMAG and the Equitable Life members are realistic. They understand the difficulty that we face, given the economic carnage, as I have described it. They find it difficult to accept the recommendations of the Chadwick report. I would therefore ask that when the comprehensive spending review is complete, Equitable Life should be given a special place.

The Minister has my sympathy as he tries to perform this most difficult of balancing acts—but I have to tell him that most of the sympathy goes to my constituents in the High Peak, so let us not implement Chadwick without serious thought. I know that we want to expedite full and final payment swiftly. However, if a way could be found to increase payments, even if it meant spreading them across a longer period—albeit in a way that ensured that the administration costs did not eat up huge amounts of whatever funds were available—I feel that that could be made acceptable to Equitable Life people, who have waited too long for what I hope will not be too little.

Parliament has undergone a difficult year for its reputation. This Bill gives us a chance to start salvaging that reputation, but if we get it wrong, we will drive it further into the dust.

7.15 pm

Yasmin Qureshi (Bolton South East) (Lab): I congratulate the hon. Member for Congleton (Fiona Bruce) on making her maiden speech. As a fellow north-west MP, I am sure that we will work well in future for the betterment of the north-west region.

Mindful of what you said earlier, Mr Deputy Speaker, I will keep my speech short. I shall not go into the history of Equitable Life, because everyone in the Chamber is aware of the history, nor shall I go into the merits or demerits of Sir John Chadwick's report or the ombudsman's report. I want to talk about my constituent, Mr Barri Sharrat, who was made redundant by his company and whose pension was moved to an Equitable Life policy, which was to be his main source of income on retiring. Mr Sharrat put his trust and faith, along with years of savings, into the hands of Equitable Life to build a secure retirement. I want Mr Sharrat and millions like him to be compensated.

I agree with the ombudsman's view that people should be put in a position similar to that which they would have been in had Equitable Life not collapsed. I welcome the Bill and would urge the Government not to short-change the people on a promise that they made before the general election. However, I am afraid that the argument about money just does not carry any weight, because before the general election there were many debates about the country's finances. Therefore, the level of debt was well known to everyone. Knowing that information, Members who are now in government made a promise that they would honour the ombudsman's recommendation. I would ask them to continue to honour that promise, and then all those present who have taken a sanctimonious approach to the issue can be properly sanctimonious about it.

I urge the Government to make the Bill fair and effective. To make the legislation effective, they should put the independence of the compensation scheme on a statutory basis. There should be an independent appeal process, and a timetable—a short one—for making payments should be set out. The criteria by which compensation is to be paid should be made clear and simple. Again, I urge the Government to accept the ombudsman's recommendation that people should be put into the position that they would have been in had Equitable Life not gone bust.

Mel Stride: Will the hon. Lady give way?

Yasmin Qureshi: I have actually finished, but the hon. Gentleman may intervene.

Mel Stride: I just wanted to say that it is my understanding that the ombudsman's report contains the recommendation that the public finances should be taken into account when coming up with the final compensation to be paid.

Yasmin Qureshi: The public finances may be taken into account, but it is my understanding that the Bill proposes to go along with Sir John Chadwick's proposal, which was not a very good one. As my hon. Friend the Member for Ochil and South Perthshire (Gordon Banks) said, the compensation does not have paid in the next few months or even the next year; it can be spaced out over five years or perhaps even 10 years, so that people can be given the compensation that they deserve. As has been said, the ombudsman has made a recommendation, but it is for us here in Parliament to do right by our constituents, and that means going back and giving the appropriate level of compensation.

7.19 pm

Karen Lumley (Redditch) (Con): I, too, pay tribute to my hon. Friend the Member for Congleton (Fiona Bruce) for her maiden speech. I have heard many great maiden speeches since I arrived here, and I shall now be adding Congleton to my long list of places to visit in the UK.

My colleagues have made a great many points today, so I shall be extremely brief. I, too, signed the Equitable Life pledge before the election, because I believed that the Equitable Life policyholders needed to be compensated. I am therefore delighted to see that we are moving towards a swift resolution for them. They had to wait

[Karen Lumley]

more than 10 years under the previous Administration, when there was money in the pot to pay them, although the will to do so was obviously not there.

Like other hon. Members, I have had many letters from my constituents on this matter, and as a result I had a meeting with them in Redditch on Friday night. Let me tell the House that there was standing room only. Emotions were running high and I have to say that it was a pretty uncomfortable hour. I listened to some heartbreaking stories, including that of a constituent who had put not only his and his wife's money into Equitable Life but that of his 15 employees too. I just cannot tell the House how bad he felt. I left that meeting feeling angry that my constituents have had to wait more than 10 years for justice, and I think that the previous Government should be ashamed of themselves for not dealing with this matter earlier.

But we are where we are. I want to say to the Minister that those people have suffered enough and, while I am grateful to him for settling the issue as soon as possible, I urge him, during his difficult negotiations in the Treasury regarding the spending review, to look closely at the compensation package that my constituents will receive. In these difficult times, I urge him to remember the pledge that most of us on this side of the House signed.

I will support the Bill tonight, but I hope that the Minister has listened carefully to what Members on both sides of the House have said about the fairness of the compensation scheme. Our constituents will await with interest the outcome of the spending review on 20 October.

7.21 pm

Nia Griffith (Llanelli) (Lab): I am grateful for the opportunity to take part in the debate today, and I certainly want to support the Bill, because we do not want to do anything to delay the payments. The important thing now is to get those payments made as quickly as possible to the many ordinary hard-working people who made sacrifices in order to put money away in a scheme that they trusted to provide for them in later life. Those people were thinking ahead; they were the responsible citizens who had no intention of having to rely on the state. They continue to worry, however, and to suffer hardship, because they fear that there will be still more delays. They are also worried by the mention of a cap being placed on the funding of the payments. Most importantly, those people do not want smokescreens, spurious justifications or complicated explanations. They simply want the Government to take notice of the ombudsman's letter of 26 July and move as swiftly as possible to making proper payments. They want those payments to be realistic, not just a sop; they want them to be made in the spirit of the ombudsman's report.

I am very concerned by the fact that the Minister spoke today of linking the amount to be paid out to Equitable Life victims with the comprehensive spending review. That would be totally unacceptable. We know that the issue of Equitable Life has gone on for some years now, and it should not be arbitrarily subject to a review that is to take place in a few weeks' time. Opposition Members are committed to seeing Equitable Life victims receive proper payments that reflect their losses. Anyone listening to what both the coalition parties said before the election would have thought that they too were committed to making proper payments. Indeed, they were vying with us to say that they would be more generous than we would. To state that the payments will now be subject to spending review cuts of perhaps 25% is absolutely disgraceful. What would have been a £100 payment could now be only £75. Frankly, that seems to me next to dishonest. Equitable Life victims were not responsible for the banking crisis, and they certainly do not deserve to be penalised by the slash-and-burn policies of the present Government, whom respected economists are now suggesting might send us into a double-dip recession.

Gordon Birtwistle (Burnley) (LD): The hon. Lady says that she is keen to see the payments made to the Equitable Life policyholders. Will she tell us how much Labour would have paid out if it had been in control?

Nia Griffith: What is important now is to move on and get those payments made. The worry is that these smokescreens are putting people off, and the policyholders will not see any money at all. They want to see actual payments.

The policyholders are also worried about tax and benefit loss. I am pleased to see clause 1(3) in the Bill, but it is far too loosely worded. It gives the Treasury the power to disregard payments to Equitable Life victims when assessing their tax liability or their entitlement to means-tested benefits, but I would like to see a much more strongly worded provision, as well as a genuine awareness among Ministers that any payment will be disregarded.

Gavin Williamson (South Staffordshire) (Con): Will the hon. Lady give way?

Nia Griffith: I would like to continue for a moment, because I want to explain what I have understood from the speech made by the Financial Secretary to the Treasury today.

I was perturbed by what the Minister said. Far from giving any assurance that there would be a disregard for tax and benefit purposes, he said that the Department for Work and Pensions would sort these matters out in the usual way. That will set alarm bells ringing, as anyone who has lost benefit, pound for pound, as a result of receiving a payout will confirm. Equitable Life victims, having waited all these years, could end up receiving their payment only to lose the equivalent amount in benefits or additional tax. We need assurances from Treasury and DWP Ministers alike that insult will not be added to injury in that way.

Gavin Williamson: It is incredibly interesting listening to the hon. Lady's speech, but surely she ought to hang her head in shame at the actions of the Labour Government, who continually betrayed Equitable Life policyholders. Will she apologise for the Labour Government's failure to act?

Nia Griffith: If the hon. Gentleman had been here under the previous Government, and been a regular attender at business questions, he would have known that the timetable for the Equitable Life programme was raised again and again. I can assure him that I made many representations to our Ministers to ask

them to speed up the process. It was a complex process and there were enormous difficulties; there was also an enormous amount to read. That is why it took the ombudsman so long to produce the report in the first place. I can assure the hon. Gentleman that an enormous amount of good work was done, and that we would not be where we are now if we had not put in that work before the general election.

We need assurances from the Treasury and the DWP that people will not lose out in the way that I have described. People are worried because the suggestion of a cap is being bandied about, and because the figures might be cut again in the comprehensive spending review. If they were then to lose money through a clawback of tax or benefits, it would be an absolute disgrace. It would also affect the most vulnerable people in particular.

Another worry about the Bill is that it contains no mention of a proper appeals mechanism. The Minister made a few encouraging remarks about appeals, but there are no details in the Bill. I call on him to consult policyholders about that mechanism, and to publish the relevant details as soon as possible. We want to see the settlements made as soon as possible, but we also want to see an appeals mechanism that can hear appeals quickly and fairly. The last thing we want is for Equitable Life victims, who have already waited far too long, to have to wait in a queue for their appeal to be heard.

Amendments have been proposed by those on our Front Bench, including my right hon. Friend the Member for East Ham (Stephen Timms). One relates to timing, which is crucial. We must have a specific start date so that we know when the victims are going to get their proper payments. We also need a scheme that will be totally independent of the Government. There is also an amendment that provides for hon. Members to vote on the scheme, to ensure that it is swift, simple, transparent and fair. That is vital if we are to have the trust of the public that this is a genuinely fair scheme, not one that has been cooked up in a back room and that will be cut and cut again in order to meet some overriding demand from the Chancellor. I look forward to debating the Bill more thoroughly in Committee. I very much hope that we will have the opportunity to table our amendments, and that they will be well supported by hon. Members on both sides.

7.29 pm

David Rutley (Macclesfield) (Con): Thank you for giving me the chance to speak in this important debate, Mr Deputy Speaker. I, too, congratulate my hon. Friend and neighbour, the Member for Congleton (Fiona Bruce), on her excellent maiden speech. I can assure the House that she has replaced Lady Ann Winterton—not Ann Widdecombe, as was asserted earlier—who is a real legend in this party. I would also like to join my hon. Friends in congratulating the Financial Secretary on the sheer speed and pace at which he is seeking to address the urgent matters before us. I knew him for many years before I came to the House and I would have expected nothing less than the positive approach that he is taking.

The story of Equitable Life policyholders is without doubt a tragic one. I believe it was my hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) who suggested that it was like a Shakespearean tragedy. Well, I am half Danish and am more familiar with some of the Viking sagas. What the policyholders have been through would fit well into any epic tale. It is like the famous Njáls saga with its series of gruesome feuds. Similarly, today's story involves hardship and heroic campaigning—in this case by EMAG—but this tale is now in desperate need of a fitting conclusion.

I have not followed this case as long as other longer-serving Members, and I do not claim to have the same level of expertise on all the details that they possess. What is clear, however, is that maladministration has occurred, policyholders have suffered and compensation is due. It is absolutely right that this new coalition Government should respond, as they will. Sadly, the issue is yet another part of Labour's lamentable legacy—this time, not the cost of the record budget deficit, but the price of an unmet moral obligation that needed to be addressed.

I am sure that hon. Members will agree that policyholders have shown real courage and that EMAG has conducted a hard-fought and professional campaign. Like many other Members, I have met affected policyholders in my advice surgeries. I have heard about the hardships they had to endure. I have received well-argued letters and e-mails setting out their case both during the general election campaign and now as the Member for Macclesfield. It is the strength of their case and their campaign that has encouraged me to learn more about the situation, to sign the EMAG pledge, as many of us have, and actively to stand up for their cause. What I am even more proud of is the fact that the strength of their argument won the attention it deserved from the Conservative Front-Bench team and the Liberal Democrats' leadership before the general election. I am delighted that, working together, the new coalition Government have honoured their commitment and urgently brought this legislation before the House.

I welcome the Bill. It provides parliamentary authority for the payments schedule and scheme. It is a vital step, which I am sure will be widely welcomed on both sides of the House, as it has been welcomed today, but policyholders in Macclesfield and throughout the country want answers to important outstanding questions. How much will be paid? How should the scheme be designed, and how will it be administered? These questions now need to be fully addressed to ensure that policyholders get the best possible outcomes for their cases.

On the size of the payment, it is, sadly, a reality that in this challenging economic climate, the level of compensation will have to take into account the demands on the public purse. Like others who have said it repeatedly today, I urge the Financial Secretary to continue to consider the views of the parliamentary ombudsman in determining the final figure.

Andrew Bridgen (North West Leicestershire) (Con): Does my hon. Friend agree that the majority of Members and the majority of the public out on the streets will not believe that a 10% payout even on a £5 billion liability is either a fair or equitable result for policyholders?

David Rutley: My hon. Friend makes an excellent point. It is vital for Ministers to take that into consideration and find the right level of payment in this difficult situation.

[David Rutley]

I also urge the Financial Secretary to continue to take a transparent approach to explaining the rationale used to calculate the final compensation figures. Such transparency is critical and I am sure that my hon. Friend will agree that it should not be allowed to get lost in the detail of the wider spending review as it gets reported.

I also congratulate my hon. Friend on creating an independent commission to advise on the allocation and the design of the payment scheme. It is another positive step forward and—like many others, I am sure—I am pleased to hear that the Select Committee on Public Administration will fully review the commission's conclusion when it reports in January. It is a vital step.

I am keen to seek further assurances from my hon. Friend that his officials will provide the necessary action for the administration of the scheme when payments are made in the middle of next year. Given the likelihood of a large number of appeals, this will not be a simple task. The scheme must be designed to accommodate the needs of these particular policyholders, whose average age is, I think, 78. It must be clearly communicated—not just on websites or via e-mails, but via well-written, high-standard communications and effective, well-manned telephone contact centres.

As I have discussed with the Financial Secretary, the administrator must learn from the launches of other Government schemes. Many will remember the agonies associated with the Rural Payments Agency and, more recently, HMRC's problems with new PAYE systems, which are fresh in our minds. We need to ensure that the Equitable Life scheme does not become another example of the administrative chaos that was the trademark of the previous Government.

Frankly, I am disappointed not to have heard an apology from Labour Members, but I am not surprised, as they have failed to apologise for the huge budget deficit and now it is the turn of Equitable Life policyholders. It is all part of a depressing pattern of denial.

I conclude by congratulating the Financial Secretary once again on the speed with which he has tackled this long-running saga. I hope that in addressing the concerns of the policyholders, he will help those in real need and—just as at the end of Njáls saga—bring about a meaningful reconciliation. It is what the policyholders deserve after the epic trials they have had to endure.

7.36 pm

Sheila Gilmore (Edinburgh East) (Lab): Thank you, Mr Deputy Speaker, for giving me the opportunity to speak in the debate. As a new Member, I have come to this issue afresh as a result of the contact I have had with the victims of this situation. I know that my predecessor also took up their cause. I have to say that, having read through as many of the reports as I could—they are certainly extremely lengthy and extremely difficult—I have come to the conclusion that the previous Government were wrong in their approach. I think they took the wrong road and I am not afraid to say so.

Clearly, the management of Equitable Life were also culpable, and it is highly regrettable that we are in a situation where that organisation is not in a position to compensate its customers who were so badly let down by its practices. It is equally clear, however, that there was maladministration and regulatory failure throughout the 1990s. Before we get into too much point scoring on the issue, that was obviously on the watch of Governments both Conservative and Labour.

What my constituents are now asking me—having read the Minister's statements in July, which concerned them greatly; I am sure they are no clearer today—is whether the Government are using the Chadwick calculations, which reduce compensation for loss by 90%, with a possible further reduction following the spending review. Is that what is being followed or not? I am no clearer about that today, so I cannot answer that question for them. If it is to be followed, that is not what EMAG has been fighting for or what EMAG understood to be the position promised by both constituent parts of this coalition Government.

It is highly convenient for the Minister to hide behind what has become this Government's theme tune—everything has to come second to deficit reduction, which is all the fault of the previous Government. It is too easy to sing that song continually, so I am going to take this opportunity—briefly, in view of what Mr Deputy Speaker has said—to say that we do not accept that statement of the situation. In our view, we are not deficit deniers. The last Government took steps to stimulate the economy and save our banks from collapse—something that at least one part of the coalition Government accepted at the time was the right thing to do, and several times said so. As a result, yes, when we left office, there was a deficit; equally, however, unemployment was considerably lower than had originally been predicted when the recession began. The deficit was actually reducing under the Labour Government.

We believe that the current Government's plans are wrong, that they place recovery at risk, and that it is not necessary to reduce the deficit at such breakneck speed. That may seem to constitute a diversion from the debate, but I think it important to restate it, because the Minister and many other speakers on the Government Benches have raised the subject of the financial position.

Gavin Barwell (Croydon Central) (Con): Did not the ombudsman recommend that the compensation scheme should take account of the state of the public finances? My constituents tell me that that they are happy to accept reductions that are in line with other reductions in public expenditure, but what are completely unacceptable are the reductions envisaged by Chadwick, which go far beyond that.

Sheila Gilmore: I agree. The people who have come to see me have said much the same. They have spoken of the possibility of staged payments and discussed how that arrangement could be affordable, but they have made it clear that what they do not accept is Chadwick.

At least one intervention and, I think, some speeches from the Government Benches have suggested that the Government will go beyond Chadwick and take wider issues into account, which suggests more than the £500 million or thereabouts mentioned by Chadwick. If that is so, I am not sure why it is still necessary to talk constantly about the spending review. Does not discussing the review all the time, and hinting that the Chadwick recommendations will be followed, suggest that there will be less rather than more? We need to know the answer to that question.

During the election campaign, having considered the matter and read a number of documents—I have read many more since—I pledged support for EMAG. I would have held hard to that support had my party still been in power, and if it were in power I would be saying the same thing now. However, I have questions to ask. What compensation is being promised? Is it simply the £400 million to £500 million mentioned by Chadwick, and if it is not, will it be more or less? Blaming the last Government may make for good political knockabout, but it leaves those who have suffered loss little the wiser. We and they need some real answers, and we need to work together.

7.42 pm

Zac Goldsmith (Richmond Park) (Con): There is not a lot to be said that has not been said already, so I will keep it brief.

I support legislation that will give the Treasury the authority it needs to make the appropriate payments to policyholders, and I welcome the speed with which the Government have sought to right what I think we all now agree is a profound wrong. However, the Government will be judged on the basis of their final settlement. My plea is simply for that settlement to be set at a level that honours both the letter and the spirit of the commitment that the coalition has made to policyholders. I do not think anyone expects full compensation at this point, but whatever reductions are made should be broadly in line with those affecting other areas of spending. If the Chadwick proposals are followed, that will emphatically not be the case.

In the run-up to the general election, I was asked by hundreds of constituents for reassurance about the Conservative party's position. I was able to deliver that reassurance via a pledge which I know many of my colleagues have also signed. On the back of that pledge, a number of people—I do not know how many—voted Conservative for the very first time. So, as my hon. Friend the Minister considers the level of compensation, I simply ask him to remember the promises that we made before the election. I believe that that would not only restore people's faith in saving for their retirement, but restore their faith in political promises.

7.43 pm

Mark Durkan (Foyle) (SDLP): When it was said in the Bible that the stone that the builders rejected had become the cornerstone, that was intended to be a positive statement. In this instance, however, although parties and Members on both sides of the House agreed that Sir John Chadwick's proposals were wrong, flawed and grossly inadequate, those very proposals have become what the Government are telling us is a building block on the basis of which these matters can be resolved.

We should bear in mind that, according to what we have been told by the parliamentary ombudsman, that building block is unsafe and unsound. We as a House have a duty to have regard to the various pledges that we, as parties and as individuals, made in the course of the election, and also to what the parliamentary ombudsman has said—and we should bear in mind that this is a parliamentary ombudsman.

Not only have the Equitable Life policyholders been left suffocating with frustration, but their problem continues, and they are increasingly seething with cynicism. Rather than a Parliament that will clearly fix the problem, we still have parties that are simply in the business of fixing the blame, but people want to see a real resolution. I am pleased that we have a Bill before us, but it provides the bare chassis of the vehicle that will be needed to solve this problem. Other Members have said that they do not disagree with much of it, but that is because there is not much in it: it is basic enabling legislation.

If the Bill were on offer from a pension company or indeed from anyone else, we would be asking, "Where is the prospectus? Where are the key details? What have we to rely on? What does any of this signify, other than a vague, general promise in a very slim brochure?" That is all that we have here. I acknowledge that following the long indifference that we received from those on the Treasury Bench for so many years we at least have something—which is welcome—but the move from long indifference to inadequacy is not something for Equitable Life policyholders to celebrate when they are still languishing in injustice and uncertainty.

Let us, here in the House, have fewer party-political spats about what one Government did and what another Government are doing, and stop patting each other on the back. Let us remember that the collective political process is indicted by our failure to resolve this problem. The policyholders have seen one Parliament after another. Are we able to act on the basis of the clear recommendations and findings of a parliamentary ombudsman? The policyholders saw a Parliament and Government with the ability to bail out banks, call people in quickly, merge banks, find all sorts of taxpayers' money and go to the markets for money to solve the problem, because we did not want systemic failure in the financial system.

We need to ensure not just that there is confidence in the financial system, but that we underpin confidence in the future of the pensions system and regimes that will also have to be revised. Members on both sides of the House must make certain that we underpin that confidence by resolving the Equitable Life issue in the terms in which we all promised to resolve it, and to which the ombudsman has drawn attention. Yes, there will be issues about pressure on the public purse, which is why we must consider what the profile of the relief will be over time; but let us not pretend that offering a mere fraction or token of compensation accords in any way with fairness, transparency or justice.

Let us stop babbling about the reputation of this Government and that Government, and do something to restore the reputation of politics and the House by using the Bill to demand further commitments from the Government. Let us establish that they intend to follow it up with clear, detailed provisions that will be not just credible to us, but honest to victims of the ongoing crisis.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Hon. Members really must exercise some brevity. I want to ensure that all Members have an opportunity to speak, because I know how important it is to their constituents that they make their mark. Please let us see what we can do.

7.48 pm

Stephen Metcalfe (South Basildon and East Thurrock) (Con): I will do my very best to keep my speech brief, Mr Deputy Speaker.

It is an indication of the depth and strength of feeling that this scandal has created that so many Members wish to speak about it. There is no doubt that it is a scandal. Equitable Life behaved very badly. It hid its debts, it expanded too rapidly, and it had no visible means of support. Ultimately, those actions left my constituents and many other people throughout the country with reduced pensions, and with losses running into many thousands of pounds.

I think it fair to say that no one would have invested in Equitable Life had they known what was happening. The shame is that it has taken so long—nearly a decade—for us to reach a point at which we are actually going to do something about it. I welcome the Bill, I welcome the actions of the new coalition Government, I welcome the establishment of the independent commission that will report in January, and I welcome the stated aim to start making payments by the middle of next year. Those payments, however, must be fair as well as swift. I am glad that, after a decade of delay and prevarication, we are actually going to do something, and I think that all Members on both sides of the House agree that it is time to act.

Given that constituents have contacted me on this issue, I have obviously looked closely into it, and I must congratulate EMAG on all the work it has done in keeping the issue alive and at the forefront. I have spoken to its members and read its briefings, and I find myself in general agreement with its views. Like many other Members, I signed the EMAG pledge during the election, and I was happy to do so because I felt both that its members had a valid case for compensation and that that had been widely recognised. The real issue now boils down to money, therefore: how much compensation will be made available? Therein lies the problem, of course. We are doing the right thing here today, but we must continue to do the right thing.

I wish to make three points: first, we must be honest; secondly, we must be realistic; and thirdly, we must be compassionate. We must be honest about the level of losses Equitable Life members have suffered. We have had two reports, one from our own ombudsman—we have heard about the £4 billion or £5 billion identified in it—and one from Chadwick, estimating the sum owed at approximately one tenth of that amount. That is a 800% to 1,000% discrepancy. How is that possible? We heard from our own ombudsman earlier in the summer that she thought that was an unsafe and unsound basis on which to continue, and I agree.

In common with many Members, I campaigned during the election on a platform of honesty and realism. We must therefore be realistic and accept that we face extraordinary financial challenges, which were left to us by the previous Government, but we must not use that as an excuse not to do the right thing nor recognise what is the right thing to do. I agree with my hon. Friend the Minister that we must balance the needs of the policyholders with the needs of the taxpayer, but I think we should recognise the full losses that have been suffered before deciding what is affordable.

Iain Stewart (Milton Keynes South) (Con): My hon. Friend is making a very powerful argument. One way in which we may be able to square this circle is by splitting up the Equitable victims between those who require swift payment as they are suffering real financial hardship now and other policyholders who have suffered losses but for whom an immediate payment is not necessary. I should declare an interest in that I am one such policyholder as, God willing, I have 30 years of working life ahead of me. We could consider the situation of policyholders such as me outwith the current spending review period.

Stephen Metcalfe: I accept that point—indeed, funnily enough, I was just about to make it. One way we could make this situation more affordable is by splitting up the sums to be paid over the coming years. This Bill presents the opportunity to be a building block in the process of rebuilding trust in politics, because I think we can accept the losses and the ombudsman's recommendation, but we can also then work out how to stagger the funding of the compensation. There is a sense of realism about the fact that the compensation will have to be scaled back in line with what is affordable, but we should start from a point that reflects the true losses and perhaps then, as has been said, scale back in line with the cuts being experienced by other Departments across government.

Finally, we must be compassionate. I know that my right hon. and hon. Friends share my concern for all those who have been let down by the events at Equitable Life and by the actions—or, rather, inactions—of the previous Government, and I know that my Front-Bench colleagues will want to do all they can to support all of our constituents who have lost so much because of how Equitable Life conducted its business. I acknowledge that we as a nation face the most challenging financial situation since the war, but if we are to share the pain equally at this time of austerity, we must recognise that many who invested in Equitable Life have already been suffering that pain for many years and that they have pinned their hope for justice on this new progressive and equitable coalition.

As a matter of principle, we owe it to those people to do what is right. We said we would do it, so now we must. Obviously, I will support the Bill wholeheartedly, but on behalf of my constituents I ask the Treasury to play fair and find the necessary funds to make good what has become a decade-long travesty.

7.55 pm

Penny Mordaunt (Portsmouth North) (Con): May I first offer my congratulations to my hon. Friend the Member for Congleton (Fiona Bruce) on her excellent speech in this important debate? I also want to congratulate the Minister on the progress he has made, and the speed with which he has been dealing with this issue; that is much appreciated. I also thank him for the time he has spent on discussion and correspondence with me and my constituents.

I want briefly to make four points. The first of them is about the independence of, and support for, the independent payments commission. There is much concern among EMAG members about the terms of reference for the panel and the inappropriate inclusion of Chadwick's work as the central building block. Can the Minister reassure the House that he has not accepted Chadwick

and that the panel will have wide scope in its deliberations? Can he also confirm what resources will be available to the panel, what independent actuarial advice it will receive, and whether he expects its members to appear before a Select Committee of this House?

Secondly, will the Minister insist on an administrative cap? If so, what level of cap is he minded to call for, or will that be entirely for the panel to decide?

Thirdly, I turn to the issue of the pot of money, which will be announced later in the year. That goes to the heart of this matter. I deeply regret that that is being resolved now, rather than at a time when the country had deeper pockets, and I know that the Minister will want to do everything he can to put right this injustice. I press him to ensure that no stone is left unturned in that respect, and I also want to be reassured that he is considering where other funds may be found. For example, I have learned from a Library paper prepared for the 2007 Pensions Bill of the right hon. Member for Birkenhead (Mr Field) that there is still about £1 billion available in unclaimed insurance and pension accounts—so-called widows and orphans accounts—aside from that which has already been repatriated or given over to social enterprise funding. The public purse currently has no claim on those funds and there is no definition of what constitutes a dead account in respect of them, but that could be remedied. I know the Minister appreciates what we all want to see happen, and also that we all want it to happen quickly. We, in turn, appreciate the difficult circumstances in which this has to be done, so let us give ourselves every option and opportunity to do the right thing.

Finally, I want to pay tribute to a constituent of mine, Brian Aitchison, and EMAG for all their hard work. In my dealings with them they have been constructive, courteous and very pragmatic. They have a sophisticated view of this situation. They are very clear in what they are asking for; they are very clear about why they do not have it yet; they are very clear about why it will not be easy to deliver; and they are very clear about where the fault lies. The last Labour Government are responsible for these poor public finances and the delay in Equitable Life members getting justice. It is this coalition Government who must put both those things right.

7.58 pm

Mel Stride (Central Devon) (Con): Like many other Members who have spoken this evening, I welcome the Bill. It is timely—it has certainly not come before time—and I congratulate the Financial Secretary on introducing it so early in the life of this Government.

I too signed the EMAG pledge to stand up for fair and appropriate compensation, and like many other Members, I too have had many individuals in my constituency come to me in a terrible state because of what has happened to their pensions and their future as a consequence of maladministration and regulatory failure. For each one of those individuals that is a tragedy, but when we consider that 1 million policyholders and 1.5 million policies are involved, we see that it is not a tragedy; it is a national catastrophe, because it hits saving. We have now come out of one of the worst recessions in modern times—one of the worst since the second world war—and one of the things we must now do as a nation is get back into the habit of saving. Nothing in the previous Government's approach to the Equitable Life saga has done anything to encourage that habit.

I have sat through most of today's debate and I have been disappointed and slightly irritated by the synthetic anger from Labour Members—I felt that particularly at the beginning of the debate. They have suggested that in some way we have been responsible for the delays and for the fact that these payouts are not happening more quickly, but we know of the previous Government's attitude and approach to Penrose, of how they obfuscated on the second parliamentary ombudsman's report and of the, in my opinion, cynical way in which they set up Chadwick to report after the general election so that it would be us who would be standing in this Chamber addressing these issues as we are today.

Neil Parish (Tiverton and Honiton) (Con): I thank my hon. Friend for the powerful points that he is making. May I reinforce the fact that this is about the message we send to all those who are saving for their old age in order to give themselves a good quality of life? If we do not sort out the Equitable Life situation, it will send exactly the wrong message to hard-working people. I congratulate the coalition Government on having the political will to sort it out, given that the previous Labour Government had no such will. In fact, they used taxpayers' money to fight policyholders. I urge our Front-Bench team to get this sorted.

Mel Stride: I thank my hon. Friend for making a very important point, with which I entirely agree. I welcome the coalition's commitments on several important matters, and they must not be overlooked in all the discussion about what the final payout is. The first is that there will be no means-testing. As we know, means-testing, when applied appropriately, can often provide resources to those who are most needy, but in this instance it will do nothing other than to punish those who have acted responsibly and have saved, putting something away for their future.

I too am very pleased that the Financial Secretary has stated that the estates of the 30,000 people who have died since this saga began will benefit through this scheme. I also welcome the transparency that has been proposed and the independent commission, which is so important in terms of designing and administering the scheme. I am happy that it will report so early in 2011, in time to make payments for the middle of next year. I am also particularly pleased that Brian Pomeroy has been appointed to that independent commission and that that was acceptable to EMAG.

I do not believe that interim payments should be made, because I accept what the Financial Secretary has said—I think he talked about this in his statement to this House on 22 July—about how that would overly complicate matters. What hon. Members must now concentrate on is making sure that we hit the end date—a final point at which justice is done in this matter.

Many hon. Members have also rightly recognised the complexity of the task facing the independent commission in deciding on the payments and administering them. We are talking about 30 million pension transactions over the period that we are considering. I urge the

[Mel Stride]

Financial Secretary to ensure that he does everything possible to ensure that no delay now occurs as a result of that task.

As we know, the Bill is enabling legislation—it is not designed to determine the final payout. That is part of the comprehensive spending review, and the report back to this House will be made on 20 October. EMAG suggests that £5 billion should be the amount. Chadwick's remit was distinctly different from that of the parliamentary ombudsman, and because of the assumptions that he made about the proportion of people who were likely to have invested in Equitable Life, irrespective of the maladministration—in other words, if they had known of it at the time—he is perhaps looking at 10% of that figure.

We should not dismiss the Chadwick report's methodology and much of the hard work that was done, which took more than a year to put together in that report. However, I agree with this statement made by the Financial Secretary:

"I am aware that some of his findings will be contentious".—[*Official Report*, 22 July 2010; Vol. 514, c. 577.]

Furthermore, I contend that they will be more than that if they result in 10% payouts; they will be wholly unacceptable.

I have been impressed by one aspect of today's debate, which is that members of EMAG have sat patiently watching our debate; I recognise one of the gentlemen in the Public Gallery at the moment. We owe it to them—we owe it to the individual policyholders—to do the right thing. We have a moral duty to them and we have a national imperative in terms of re-establishing the trust between government and people, which hangs on the decision that the Financial Secretary will take later this year.

8.5 pm

Andrew Percy (Brigg and Goole) (Con): I know that this issue is important to so many Members, so I shall keep my comments as brief as possible. The one thing I have learned in my short time in Parliament is that those who speak for the longest time often do not have the most to say.

It is sign of this issue's importance that the Government Benches have been so full throughout this debate. I accept what the hon. Member for Foyle (Mark Durkan) said about this being a human tragedy. It affects the many individuals who have been to see me in my constituency about this issue over the past few months, many of whom are now very elderly. I recall going to see an elderly couple in Thealby, which is one of the small villages in my constituency, who were desperate as a result of this situation, and that is when I took the decision to sign the pledge. In a few minutes' time, I shall say a little about what my understanding is of the pledge I signed.

This is not a political issue—or it should not be one—but I would like to respond to one or two things that have been said today because they deserve a response. I begin by welcoming the action that the coalition Government have taken, thus far, on the matter. Amazingly, we have heard criticism today from Labour Members about the speed of action on the part of the Government, despite the fact that we have been in government for only a few months and they had many more years to do something about this. What I could not quite understand was what exactly they have been arguing for today. They cannot have it both ways; they cannot dismiss the ombudsman's report and then berate Members on the Government Benches who signed the pledge for apparently now breaking it.

It takes some neck for the Labour Front Benchers to suggest that, and they had very little to say about what they propose as an alternative when they were directly questioned on what pot of money they think should be available for compensation. We heard no figure from them, just lots of words that were not a direct response to the question. That is why those on the Government Benches will take no lectures from the Labour party, which had the opportunity, when the public finances were in a much better state, to do something about this appalling tragedy; no lectures from the Opposition will carry any weight either here or outside with our constituents, who know that they were ignored for the past 13 years by a Government who did not seem to take a great deal of interest in this matter.

I fully support the Bill, as everybody does, simply as a mechanism for starting those compensation payments, but I wish to say something about my understanding of the pledge that I signed. It was not a pledge for 10% or, probably, for 20% compensation; it was a pledge for substantial compensation for those who have suffered this tragedy. I understood it to mean that there should be proper and full compensation, while taking into account, of course, the fact that there are great pressures on the public finances. Nobody denies that, but if there is to be any top-slicing or hair-splitting of the compensation—I say this in the strongest possible terms to the Minister—many on this side of the House will not accept a 90%, 80% or 70% cut in it. That level is not what we told constituents about in the run-up to the election; people in my constituency were not left with that impression. Many in Brigg and Goole, and across east Yorkshire and north Lincolnshire, voted for me because of the pledge that my party went into the election on. I urge the Minister to consider some of the opportunities that have been proposed, including the possibility to defer or stage some of the compensation over a number of years. I am confident in the pledge that I signed, and I look forward to the Government coming up with a figure that I hope will compensate my constituents, and those of other hon. Members, properly and fairly.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Nigel Evans): I thank the hon. Member for taking much less time than he could have done. Everybody can see how many Members are standing and everybody can do the maths. We want to get as many contributions in as possible, so I ask hon. Members to show great discipline.

8.9 pm

George Freeman (Mid Norfolk) (Con): Let me add my name to the list of those congratulating my hon. Friend the Member for Congleton (Fiona Bruce) on her fine maiden speech.

It is an understatement to say that this is a complex and difficult issue. I think that we all recognise the reasons for that complexity, not least the difficulties that Equitable Life had with its guaranteed annuity product and issues to do with regulation and jurisdiction, compensation, mismanagement and delay. I welcome the speeches of Members from all parties who have talked straightforwardly about those difficulties.

In many ways, this is a story of our times. It is a story of boom and bust—the very boom and bust that the former Prime Minister promised us he had abolished. It ill behoves some Opposition Members to leap on the moral high horse after not dealing with this matter for so long and leaving us with the crisis in public finances that makes it so difficult to deal with. In this issue, above all, we are all in this together.

I welcome the coalition's commitment to dealing with this matter so quickly. I welcome the transparency of the process and I sincerely welcome the Minister's deep personal commitment to trying to resolve this issue as fairly as possible. I appreciate the complexity and the challenge of finding a fair settlement when we have inherited, in the words of the former Chief Secretary, no money.

As someone who signed the pledge in good faith, I urge the Minister, in considering the Government's proposal, to recognise that this is not just about money. It is about something much more important. It is about trust—trust in our savings industry and its regulation; trust in Government; trust in this coalition's commitment to financial responsibility and compassion; trust in the idea of the covenant between the generations, which sits at the heart of the big society; and trust in this Parliament and its commitment to do the right thing. I ask the Minister, as he considers the Government's response, to explore any method he can to soften the blow—in particular the solution proposed by EMAG of offering some choice to those victims who want to take short-term compensation and to those who prefer to wait. In due course, when the Government's finances return to rude health—as I have no doubt they will—some might choose to take a better return later.

The people have placed their trust in us; I am happy tonight to place my trust in the Minister and the Government and to support the Bill, in the expectation in good faith of a genuinely fair solution.

8.12 pm

David Mowat (Warrington South) (Con): Let me add my congratulations to my neighbour in Cheshire and in London, my hon. Friend the Member for Congleton (Fiona Bruce), on her excellent maiden speech.

Like everybody else, I support the Bill and I applaud our Front Benchers for moving so quickly to get this sorted out. I am disappointed, however, that we appear to be nailing our colours fairly firmly to the mast of Chadwick. The report is discredited, and in the course of my speech I shall try to explain why I see a difference between the £4.5 billion referred to by the ombudsman and the amount of about a tenth of that talked about by Chadwick, as well as why Chadwick is wrong.

It is central to our understanding of this issue that we know why Chadwick was wrong and where the methodology was flawed. The sum of £4.5 billion is a lot of money. Roughly speaking, it is the cost of two aircraft carriers. Just because it is a lot of money, however, does not mean that we should not do the right thing in sorting out this matter. In particular, we should honour the commitments—both implied and explicit—that we made in the run-up to the election in respect of those people who have invested in Equitable Life.

I want to make three points over and above my point about methodology and Chadwick. First, there is a group of people who have been particularly ill served by what has happened: the with-profit annuitants. I urge Ministers to consider making interim payments to them, because they have been severely hit. I do not accept the argument that doing so would affect the time scale of the rest of the payments. I do not think that that is true.

Secondly, I urge Ministers to make the process simple when the payments are coming out. Let us not allow civil servants to convince us to build computer systems that would apply tens of thousands of transactions to tens of thousands of policies, ending up with the complexity that we saw in the Department for Environment, Food and Rural Affairs and the delay in farming payments. This can be simple, because we are making broad-brush assumptions about the amount that we pay out in the first place. To go into spurious accuracy in how we allocate that among different fundholders is just wrong.

Thirdly, we should honour the commitment by next summer. It is quite important in the context of the Bill that we know when payments will be finished and not just when they will start.

Fourthly, we should look again at the adjustment that Chadwick has made. The reason that £4.5 billion became a tenth of that was that Chadwick said that in his view 80% of the policyholders who were informed—had regulation been done adequately—that this was a basket-case company would continue to invest in Equitable Life and that as a consequence, there was no regulatory failure in respect of those people. By applying that figure of 80%, £4.5 billion becomes pretty close to the sorts of amounts that we appear to be talking about. He said 80%; I say 50%. Somebody else says 30%. That figure is a question of judgment; there is no methodology. However, when we consider other financial crises, other runs on banks and other countries, the figure of 80% does not appear to stack up.

I have had a go at applying a more reasonable number to the ombudsman's figure. It is reasonable that, having done all that, we should make an allowance for the spending position in which we find ourselves. I do not think that EMAG has a problem with that. However, when reasonable assumptions are applied to the ombudsman's starting point, it is very hard not to come up with a number that is a considerable multiple of the number that Chadwick talked about. I cannot get one that is much lower than about £2 billion, which, as those of us who are doing our arithmetic will know, still lets us have one aircraft carrier.

May I make one final plea to those on the Front Bench? Can we stop benchmarking ourselves against the Opposition? That is a very low bar indeed. We must benchmark ourselves against what is right and against the expectations we raised when we were fighting the last election. It is not enough simply to do more than the Opposition.

8.17 pm

Peter Aldous (Waveney) (Con): Like most Members—I should probably say all Members—I have received many letters from constituents who have been let down by the regulatory system and who are worried that they will not receive fair compensation for the losses that they have incurred. Several of them are struggling to keep their heads above water.

I place a lot of weight on the ombudsman's recommendations and findings. In her letter to MPs of 26 July, she sets out five requirements for a fair settlement: independence, transparency, simplicity, speed, and potential impact on the public purse. Those need to be the guiding lights to a fair and just outcome. My hon. Friend the Financial Secretary to the Treasury is to be commended for the speed at which he has moved to resolve the matter. He has established an independent commission to come up with proposals for the design of the compensation scheme and he has committed to starting to make payments in the first half of 2011. That said, there are still issues to be addressed and it is those issues that worry and concern my constituents and the group that represents them.

I appreciate that today we are not deciding and voting on the level of compensation and that that will be determined at the comprehensive spending review in October. However, what is said today is a barometer of the mood of this House and must be taken into account when the level of compensation is decided. Let me refer back to the Minister's statement in July. For me, there is an inexplicable quantum leap from the relative loss of £4.8 billion to Sir John Chadwick's total payment of between £475 million and £600 million. Those latter figures are way too low. I must dispute Sir John's opinion that the majority of policyholders would have made the same investment decision irrespective of maladministration. That flies in the face of the evidence and of what my constituents are telling me.

On the way forward and complying with the ombudsman's recommendations I would make two suggestions. First, to achieve a fair settlement, the Government must review Sir John's suggested settlement figure and it must be crystal clear, simple and transparent how the eventual figure was reached. Yes, there is a need to consider the impact on the public purse, but any allowance must be fully explained and easily understood. Secondly, I request that the independent commission overseeing the design and delivery of the compensation scheme consider a framework that ensures prompt payment as soon as possible in the new year to the eldest policyholders and those in the most need. Thereafter, there should be further waves of payment depending on policyholders' proximity to retirement and relative exposure. EMAG has proposed how such a scheme could work and I am sure that Equitable Life would work with the commission to ensure that such a scheme would be fair to all and would recognise individual hardship.

My hon. Friend the Financial Secretary has made a lot of progress in the past four months. He has hit the ground running in his new role, but the Government need to go that extra mile to achieve the fair and just outcome that the ombudsman recommended and that so many of us—myself included—signed up to.

8.21 pm

Tessa Munt (Wells) (LD): In common with other Members, I have a number of people in my constituency who have sent me letters and several hundred who have sent me e-mails about this matter. I want to make a few comments that might be helpful. The independent commission has a chair in Brian Pomeroy who is an EMAG nomination, and I am sure that EMAG will be happy about that. It is ludicrous to suggest—I refer to an earlier comment—that January is a long time to wait to have a report back from that group, because that is very speedy action in the relative scheme of things, and payment shortly thereafter would be welcomed by those members.

On 22 July, the Minister set out the terms of reference when he introduced the Bill. Those terms of reference referred only to Towers Watson's figures and Sir John Chadwick's report, but Sir John's report is just one view and in some ways sets a lower range for the compensation; I wonder why there was no reference to the parliamentary ombudsman's report. I share the concerns of Equitable Life policyholders in this regard, and I have checked the Treasury website. I want to make two points about that.

First, there is a slight omission on the website regarding what was said on 11 May in the new Conservative-Lib Dem coalition agreement. The agreement contained a pledge to

"implement the Parliamentary and Health Ombudsman's recommendation to make fair and transparent payments"

but on the Treasury website that phrase is missing.

Secondly, the Treasury website refers to a large number of documents, including Ministers' oral statements, written statements, answers to questions and press notices, as well as the Bill, explanatory notes, an assessment, a memorandum, various letters, advice, the terms of reference and Sir John Chadwick's report. That report refers people on the Treasury website to Sir John Chadwick's website, and I wonder why the parliamentary ombudsman's report, which is entitled "Equitable Life" is not included among the documents of reference. It would be fair to people to include it on that website.

There is a case for having some categories of Equitable Life victims. There are people in emergency situations—those in most need and the families of those who have died who are in very dire straits—and there are people who need to be dealt with urgently, such as the elderly and those who have lost a lot in relative terms, whereas those who might have lost in part or who are still to retire in years to come can clearly be dealt with at a different time. I hope that, with the moves that are to be made on 20 October and with the way in which the whole programme of deficit reduction will roll out over the next few years, we will then be in a position to deal with those who do not have urgent cases, such as those who are still to retire.

Many victims are affronted and offended by the fact that the regulator seems to have removed most of its pension funds in June 2008. That adds to the question of public confidence in the regulator and affects those who wish to save for the future.

An Opposition Member said earlier that we should have no regard whatever to the comprehensive spending review as a background to payments made under the Equitable Life scheme, but that is a ludicrous suggestion. If we ignore the financial situation in which we

find ourselves, we will be committing exactly the same crime as Equitable Life did originally, which got us to the current position. The parliamentary ombudsman's comments about the "potential scale" of her recommendations need to be set against that background, and what is done has to be affordable. It was suggested earlier that we could look at what the ombudsman said and apply a reduction of 25%—or possibly 40%, depending on what comes out on 20 October. That is not a silly suggestion; perhaps it should be in scale. I am sure that EMAG would understand that the Government have said that everyone must be treated equally and fairly, that everyone will take the pain except the least well-off and that that might apply to this scheme as well.

It is absolutely right that we should try to be fair. The dictionary definition of "equitable" includes words such as fair, just, even-handed, unbiased, reasonable and impartial. We should deliver what Equitable Life and, most critically, the regulator did not deliver. I do not believe that Equitable Life victims are asking for anything unreasonable; they do not want an unreasonable advantage or to make a profit. They have been let down very significantly on two occasions—first by the company and secondly by the regulator—and I would hate to be part of a Government who let them down a third time.

8.27 pm

Chris Williamson (Derby North) (Lab): Like other hon. Members present, I have been lobbied by a considerable number of constituents. Let me be clear: had Labour won the general election, we would by now be implementing the Chadwick recommendations and people would be receiving payments. What I find so irritating is the extraordinarily cynical, pre-election tactics that were adopted by the Conservative and Liberal Democrat parties in an attempt to garner additional support. It is no good Government Members referring to the country's financial situation and using the comprehensive spending review as cover for their inaction, because when they signed up to those pledges, they knew very well what the financial situation was. That simply will not wash.

The Opposition have been accused of showing "synthetic anger" and I have heard Government Members congratulate their Front Benchers, including the Minister. Members have said how they trust the Minister and their Front-Bench team. Before the election, one of the most vociferous cheerleaders of the pledge to pay a more generous settlement to the Equitable pension holders was the Minister himself, who regrettably is not in his seat.

I call on Members on the Government Benches to look at the Bill before us. It is extremely thin, and some Members' contributions seemed to recognise that fact. It is clear from the terms of the Bill that the Government are dragging their feet on the issue. There is no detail on the criteria for payments, there will be no independent appeal process, and there is no timetable for payments.

Only yesterday I received a letter from EMAG, which stated:

> "EMAG welcomes legislation to enable payments to Equitable Life sufferers.
>
> However, EMAG is alarmed about the following:
>
> The continuing reliance by the Treasury on Sir John Chadwick's advice, despite the clear view of the Ombudsman that it is *'an unsafe and unsound basis on which to proceed'*.
>
> There is a mismatch between the formal acceptance of all the ombudsman's recommendations by the new government and the Treasury's dogged determination to ignore the PO and build upon Chadwick's advice, seemingly to provide a phony justification for derisory payments.
>
> The lack of a proper comprehensive assessment of 'relative losses' based on all of the PO's findings.
>
> The inappropriate inclusion of Chadwick's work as the central building block in the terms of reference for the independent payment commission."

Dr John Pugh (Southport) (LD) *rose*—

Guy Opperman (Hexham) (Con) *rose*—

Chris Williamson: There is not time to give way as I want other Members to have an opportunity to speak.

That is hardly a ringing endorsement of the Government's position, is it? A lot of crocodile tears are being shed this evening. We heard many exaggerated promises in opposition, but the Government are significantly under-delivering now that they are in power. Given the commitments that were made by the Minister and other Front Benchers, as well as virtually all the Back Benchers, they have a moral obligation to do more than they have done so far.

It is a poor show to have misled the political parties and misled people into thinking that they would receive more than they will. As I said, had Labour won the election, people would at least now be receiving some payments. We still do not know when people will receive any payment as a result of the Bill.

8.32 pm

Anne Marie Morris (Newton Abbot) (Con): I think I speak for Members on the Government Benches in refuting a number of statements made by the hon. Member for Derby North (Chris Williamson). It is not entirely correct to say that we have been dragging our feet. Compared with what the Opposition did in government, we have made considerable progress, which has been well documented. As for the hon. Gentleman's contention about the state of the kitty, it is a wonderful idea to think that, when in opposition, we knew what was in the piggy bank. When we arrived and cracked open the piggy bank, it was very empty.

Equitable Life is a tragic episode and we in government have a huge responsibility to everybody in this country to get the outcome right. This is an issue not just of money, but of human tragedy. Like other Members, I pay tribute to EMAG. It has been phenomenal in persistently putting forward the cause of its members. I am pleased to say that it has helped a number of constituents in Newton Abbot make their case very powerfully.

Across the House, we all agree that compensation must and will be paid, but, as a number of Members have mentioned, there are two key issues. First, how are we to calculate the loss? Secondly, what framework can we put in place to ensure that when the loss has been calculated people are properly compensated? Tonight, many of the contributions have been about money, and fewer about the framework. I pay credit to the Financial Secretary for the thought that has been put into smoothing the way, once the figures have been sorted out, to ensure that that framework is in place.

[Anne Marie Morris]

The fact that we will be able to give tax exemptions is important. If people received payouts, only to be hit by a big bill from the tax man, that would be unacceptable. I am pleased that there is a provision to disregard from means-tested benefits the amounts that are ultimately paid out. That is to be commended.

On the loss, however, we must calculate two things, the first of which is the relative loss. Given that so many tortuous arguments have been put by so many people, it is important that we have time to get the calculation right. I should like the Financial Secretary to confirm that no fixed amount or limit will be set tonight, and that the money resolution will be left without any amount or limit.

On the calculation of that relative loss, I, like several colleagues, commend to the Government the ombudsman's recommendations which are absolutely on point. I am sure that the independent commission will give them a favourable run, too, but I share the concerns of Government Members about Chadwick's proposals, which seem to have missed the point. If we calculate the ultimate payment on that basis, we will not do justice or live up to the pledges that we all made in good faith at the election.

Guto Bebb (Aberconwy) (Con): I am grateful for the opportunity to follow on from that point. A constituent of mine has argued that the Equitable Life saga questions the credibility of both the legal and financial systems, and I tend to agree, but in the same way I do feel very strongly that if we base the compensation scheme on Chadwick's proposals, there will be a question mark over the credibility of many Members who made commitments during the general election campaign, including, dare I say it, many Government Members. Does my hon. Friend agree?

Anne Marie Morris: I thank my hon. Friend for that charming intervention and most certainly agree. He makes a very good point.

Having worked out the right figure to pay, we must consider the second issue with regard to loss: how much money is it right, fair and proper to deduct when we get to the spending review? We have an obligation not just to Equitable Life members, but to the taxpayers of this country. I wish we were not where we are, but the piggy bank was empty. Nevertheless, I absolutely agree with previous speakers, because, if Front Benchers come out with the figure of 10%, I for one will be horrified, as that is not adequate compensation. We must be very careful to look at those figures in great detail and at the concept of fairness: what is the fair and right thing to do?

Finally, I am delighted that we are moving ahead with the issue quickly, because one concern of mine is that some of my constituents are now in their late 70s, so we need to sort this out for them, their children and their grandchildren. I am therefore pleased that we shall do so quickly, at the front end of next year.

Several hon. Members *rose*

Mr Deputy Speaker: Order. I thank Members for getting their messages across while showing time discipline.

8.37 pm

Steve Baker (Wycombe) (Con): I wonder whether the hon. Member for Derby North (Chris Williamson) has been listening to the same debate as I have. I hope that his constituents do not read his speech in isolation, because in the debate to which I have been listening Government Back Benchers have made it absolutely crystal clear that they will stand up for the members of Equitable Life.

I support this short, technical Bill, but I should like to make some wider points. I endorse many remarks that previous contributors have made, but I disagree on a couple of minor points. Those points are on the margins but, in the long term, absolutely vital, so I hope that Members will bear with me.

One key point is that the state manufactured the problem, or at least manufactured it to the extent that it is with us today: the state enabled Equitable Life to continue to attract new business when it should have folded. If I have understood correctly what I have been told, I should note that if Equitable Life had folded at the first opportunity, a smaller number of policyholders would have received 90% of their due, many years ago. Instead, state action means that very large numbers of people today are concerned about receiving much less, many years after the fact.

In government we have been handed a situation in which there is no doubt that the state must compensate Equitable Life policyholders, and it must do so honourably. That is what many of us signed up to in good faith, even though we knew that the cupboard was bare. The simple fact is that a fair sum must be found.

However, we should not pretend—as, I am afraid, Equitable Life's own briefing note does—that by paying a demonstrably fair level of compensation, the Government would, at a stroke, restore people's faith in saving for their retirement. This is a difficult point, but I should like to make it anyway. It is vital for the future that we reaffirm that the Government have nothing to give without first taking it. The state can only tax, borrow or debase the currency. It can only transfer wealth; it cannot create it. In the case of Equitable Life, the state has shown itself incompetent to supervise pension funds and incompetent to clean up the mess that it makes. It also turns out that the state is incompetent to run pension funds.

In my speech on 22 June, I cited "A Bankruptcy Foretold", a paper by the Institute of Economic Affairs that set out the true scale of the national debt. I am afraid that the numbers have been updated over the summer, as the Office for National Statistics released some further figures. Writing on the IEA's website, the author, a Mr Nick Silver, who is an accomplished actuary, points out that the state now owes, including pension liabilities, a staggering £6.5 trillion. To save Members from reaching for their calculators, I should say that full compensation for Equitable Life victims would amount to one tenth of 1% of our current national debt, including pension liabilities.

Having considered the assumptions about how that pension liability might be met, Mr Silver writes:

> "Looked at this way, the UK is effectively an enormous unfunded and effectively bankrupt pension scheme, with a large speculative holding in some banks and a sideline in running a small island state off the northern coast of France."

Perhaps he exaggerates, but having read his paper I am afraid I must suggest that he does not. That is what we have been reduced to.

We must see the Equitable Life situation in context—and it works both ways. Government Members know that the billions add up, but I am afraid that we are getting to a point at which the trillions are adding up. In the short term, we must absolutely deal with this problem; we must maintain our honour and help the members of Equitable Life.

It turns out that the state is not competent to supervise pension funds or run them. Bearing in mind the events surrounding the banking system, other Members might agree that we can fairly say that the state is not competent to supervise financial services at all. I believe that we need sound financial law, not arbitrary intervention by regulators. I am happy to say that tomorrow my hon. Friend the Member for Clacton (Mr Carswell) and I will introduce a Bill that will begin to indicate the right direction of travel.

In this Parliament, we must deliver an honourable settlement for Equitable Life policyholders. There is absolûtely no doubt that we are under an obligation to do so. But let us not pretend that wealth transfers can encourage saving or that the Government have an inexhaustible horn of plenty from which to insure everyone's risks at the expense of everyone else. If we are truly to honour our constituents, we must face the world as it is, and together construct a more hopeful future, in which the Government cease to trample the forces of social co-operation thereby manufacturing problems greater than those that they face.

In the meantime, it is clear from what we have heard today that if the Government give EMAG members a haircut of very much more than 30% to 40%, the Government will have a very rough ride.

8.43 pm

Graham Evans (Weaver Vale) (Con): First, I congratulate my hon. Friend the Member for Congleton (Fiona Bruce) on her maiden speech. As a Macclesfield man, I thought I knew everything there was to know about Congleton, but I certainly learned a thing or two from her thoughtful and informative contribution.

I start by declaring an interest. As a former policyholder in Equitable Life, I have held a keen and personal interest in the matter for a long time. I am pleased to have the opportunity to speak in this debate and would like to take the chance to talk about the human element to this saga. When immersing oneself in this subject, it is all too easy to get caught up in the highly technical details of legal complexity, maladministration and commercial misjudgment, but it is very important to remember that it involves real pain for real people. Since being elected, I do not think a single day has gone by without my receiving one letter or e-mail from constituents who have been affected by the failure of Equitable Life. I recently had one lady in my constituency surgery crying while telling me about the difficulties she had faced owing to this mess—crying out of worry, despair and sheer frustration at the length of this debacle, which felt like it was going to drag on for ever. I share her frustration. It has been nearly 10 years since Equitable Life policies were cut in value, leading to pension reductions of sometimes up to a third. For 10 years, 1.5 million people have been waiting for compensation. Some have even died waiting; as we heard earlier, approximately 30,000 have done so. Is it any wonder that faith in our politics has fallen to an all-time low over the past decade?

Who are the people who have been waiting? We are not talking about the über-wealthy, nor are we talking about the reckless investors. The 1.5 million victims of the failure of Equitable Life are ordinary people. They did the right thing, putting money aside and trying to save for their future. I am certain that all Members of this House can agree that we should be encouraging a return to a savings culture in this country. I would submit that the falling confidence in our pensions system and the endless delays in resolving the Equitable tragedy are not entirely unconnected. It is only right that policyholders are given justice, and as soon as possible. Failure to do so would only further undermine confidence in pensions saving. For that reason, I welcome this Bill and give it my full support.

The contrast between the actions of this Government and the previous one could not be sharper. While Labour did its best to drag its feet and dither, the new Government have worked swiftly and shown that they will honour the commitments made in opposition. This Bill does not mark the end of the Equitable Life story, but it is, at long last, putting that end in sight. I am very encouraged that Ministers are clear that there is much more to do and are committed to seeing a fair outcome for all. It is absolutely right that they have taken time to reflect on Sir John Chadwick's report and have sought the views of others.

For an issue as complicated as this, it is pleasing that the Bill is short and simple—for a simple man such as me—in giving the Treasury powers to make compensation payments to policyholders without pre-determining the level of compensation that should be paid. This should have been done years ago. If Labour had not spent its years in government endlessly delaying, it would have saved hundreds of thousands of people a great deal of anguish, and compensation could have been awarded in a less difficult economic period. Unfortunately, the previous Government used an absurd argument for not establishing a compensation scheme on the basis of their general responsibility to taxpayers. If one were to accept that argument, then surely compensation could never be paid in any circumstances when a public body was found to be responsible for financial loss and injustice—or perhaps compensation could be paid if the financial loss were relatively small and insignificant. Clearly, such arguments are ridiculous.

I am pleased that such arguments are over and that, even in a time of deeply constrained finances, the Government are working to bring justice for many of my constituents who are policyholders. The Bill is an essential measure in bringing about this justice, and I am delighted to support it.

8.48 pm

Simon Hart (Carmarthen West and South Pembrokeshire) (Con): I think that several things have struck us during the course of this debate. First, we have heard about the sheer volume of decent people who seem to have been affected by this crisis over time. Then there is the well-measured, sensible and proportionate

[Simon Hart]

campaign organised by EMAG, which perhaps sometimes stands apart from those conducted by other pressure groups.

We have all been struck by the political reaction. For the sake of the record, the Conservative party was clear about its intentions in its manifesto, the coalition was clear about its intentions in its agreement, and the Government have been swift in their action. Whatever we may say about that action, they have at least been swift in putting their commitment in place as soon as they possibly could. Needless to say, there is a "but", which is that the devil remains in the detail of the payments—and those are not under proper discussion tonight, for very good reasons.

Financial institutions, it seems, are no longer trusted. Young people do not know where to go and older people do not know who to trust, so it falls to all of us to ensure that confidence is restored. Resolving that problem was a moral dilemma, rather than a financial one, for the previous Government, and it is for the current Government too. EMAG has made a series of sensible proposals, rightly pointing out that a staggered system of repayments could work and that those in the greatest need should be considered separately from others. Even Equitable Life itself has made it quite clear what it expects a basic minimum to be.

The ombudsman has said that the level of compensation should reflect the state of the public finances. In this debate, a number of Members have raised one eyebrow, and some two, at that proposal, and I have a lot of sympathy with them. Equitable Life members across Britain all recognised that there was a risk attached to what they invested all those years ago. However, they will reasonably feel unfairly penalised if we use the public purse argument to bypass our moral obligations—especially, to be snide for a moment, when we are happily talking about spending a hundred million quid on a referendum on the alternative vote. Such things put us in a rather difficult situation when it comes to retaining the moral high ground. I agree entirely with my hon. Friend the Member for Mid Norfolk (George Freeman)—who, sadly, is no longer in his place—about the importance of the next stages of the process.

Claire Perry (Devizes) (Con): I understand the pressure of time, but I wish to come in on that point. All of us are here for the debate because we signed a pledge and stood up for a group of people in our constituencies who we felt had been let down and betrayed by the last Administration. I urge the ministerial team to think creatively at a time of great pressure on the public finances, and particularly to consider making payments free of tax, or paid out from a fund over a period of time. The recommendations as proposed, or at least as trailed, are simply insufficient. We know that some of the best minds in the country are working in the Treasury, so let us get them to work on this very problem.

Simon Hart: That is a useful contribution. I was about to restate a point made by my hon. Friend the Member for Mid Norfolk, which reinforces the intervention by my hon. Friend the Member for Devizes (Claire Perry). The next stages are important not just for those who have struggled over the past 10 years and for the families of those who have died while waiting for justice, but for restoring the confidence of the current and future investors whom we are trying to persuade to act responsibly in their fiscal affairs. Perhaps what has not come up so much in the debate is that they are important also for the credibility of Members and of this Parliament. That was perhaps where my hon. Friend's intervention was leading. We must not and cannot let people down now with a lame excuse about the state of the public finances today, because the problem goes far deeper than that.

A number of Members have quoted submissions from their constituents, and I should like to refer to an e-mail from Jerry Roberson of St Clears, in Carmarthen, a constituent of mine, who wrote:

> "I'm afraid this business further undermines my confidence in politicians and if justice isn't done on this issue I don't see I will ever want to cast a vote in a General Election ever again."

That is an important message, and we need to take it in isolation from the technical aspects of the debate. The very credibility of Members of all parties, of the Government and of this building depends on how we deal with such issues.

The Financial Secretary has made significant progress, and I support the Bill. The matter has been dealt with as quickly as it possibly could have been, and the suggestions by Opposition Members that a delay has somehow been deliberately imposed seem an absurd rewriting of history. I cannot understand how, in all conscience, they can make such observations, given what several thousand people and their families have been through as a consequence of an inactive decade. The Financial Secretary has made progress, and we should support him. I naively and optimistically suggest that it is the moral obligation of all parties and all Members to put our party political interests aside just for one moment, to ensure that we can bring the problem to a fair and sensible conclusion. The Government do not pretend that the Bill is anything other than the first part of that process.

8.54 pm

James Morris (Halesowen and Rowley Regis) (Con): Like other hon. Members, I welcome the Government's recent announcement and their timetable. Second Reading of the Bill tonight would be a significant step forward. However, as others have acknowledged, this has been a long saga that has tested the patience of all concerned.

The reports and analyses of the past decade are voluminous, and the saga has come to resemble a Dickensian tale that would not be out of place in a novel like "Bleak House". I recognise that there are important questions—they have been debated in the House this evening—about the relative merits of the ombudsman versus Chadwick, and I, too, have reservations about key recommendations of the Chadwick report, but at the heart of the matter is morality. As the Public Administration Committee report of March 2009 said in response to the then Government's response to the ombudsman's reports, there is a clear moral dimension. The Committee said that it was morally indefensible for the Government to accept maladministration by public bodies without taking the necessary action to right those wrongs. We need to bear that message—that moral dimension—in mind as we debate this important Bill and this sorry saga, and we must not forget it.

Like other hon. Members, I have spoken to many of my constituents, and I know the human cost of this debacle. People who have worked hard and done the right thing have seen their dreams of retirement go down the drain. We cannot walk away from our moral duty to those people. That is why it is our duty to provide fair and appropriate compensation for them.

As other hon. Members have pointed out, there are wider policy implications. As my hon. Friend the Member for Mid Norfolk (George Freeman) remarked, we need to build trust in our pension system, which has been tarnished principally by the Equitable Life debacle. We need a successful resolution to the matter. That would help not only to compensate Equitable Life policyholders, but to restore trust in our financial services industry. I welcome the Bill and the Government's early decisions, but we cannot afford further delay. We need to do our duty to the people who have lost out in the Equitable Life debacle.

8.57 pm

Mr Marcus Jones (Nuneaton) (Con): I shall try to be brief to assist my hon. Friends who wish to speak. I have received more constituency correspondence on Equitable Life than on any other issue, and there are well over 200 people in the local EMAG.

I congratulate my hon. Friend the Financial Secretary to the Treasury on achieving more progress in no more than a few weeks than the previous Government achieved in more than a decade. Had they dealt with the problem when the country was not mired in the debt that they left us with, the disaffected policyholders in my constituency would doubtless have received their compensation by now and would be far better off for it. We need to bear it in mind that the previous Government seemed to have an aversion to making decisions, including on Equitable Life, so I commend my hon. Friend for retrieving Equitable Life from the long grass into which it had been so uncaringly kicked.

I must take the hon. Member for Derby North (Chris Williamson) to task for his comments. Perversely, he said that a Labour Government would have sorted the issue out by now and adopted the Chadwick report, and that Equitable Life members would have been very happy. He then turned that on its head, and said that the Chadwick report was flawed, and that EMAG did not like it. That shows the interest that Labour Members have in Equitable Life, and why Labour did not resolve the problem when it was in government.

The Bill is extremely important because it will allow the Treasury to make payments and deal with the tax treatment and consequences of those payments. I speak on behalf of my constituents in Nuneaton, who have become very disaffected as a result of this issue. The Bill does not do all that they seek tonight. It does not set the level of payments that will be made, which will be done in the comprehensive spending review next month. I will support the Bill tonight, but I wish to put over the concerns that I share with my constituents about this issue. They are still greatly sceptical and they suspect that the Government—like the previous Government—are not listening. We need to ensure that we are listening, because while we have the Chadwick report, we must also take into full account the ombudsman's comments and the concerns of EMAG, which has made an interesting, important and strong case for proper compensation.

It is important for the payment scheme to be independent, and I welcome that. The level of compensation is the most contentious issue and we should do what we can to listen to the suggestions being made about the taxation of the payments and the possibility of deferred payments. This is a bitter pill that my constituents and others have to swallow, and we should try to sweeten it as much as we can.

I implore the Financial Secretary and his colleagues to consider the wider implications of the compensation package. We have to recognise that confidence in savings and investments is at an historic low—not helped by the previous Government, who shot our private pension system to smithereens in their 13 years. We need to ensure that we protect people who work hard, save for their retirement and do not wish to rely on the state. As people in my constituency have pointed out, if we do not get this right now, we will show people that hard work and doing the right thing for themselves does not pay and that they will have only the same level of income in retirement as people who did not do the right thing. We have to show that we are the party that supports those hard-working people and, in the next few weeks, we should commit to ensuring that Equitable Life members get the compensation that they truly deserve. That would help to restore confidence in our pension system.

9.3 pm

Gordon Henderson (Sittingbourne and Sheppey) (Con): Several hon. Members have suggested today that the Equitable Life scandal—and a scandal it was—is complicated, but for me it is actually quite simple. It is about fairness to a group of people who were badly let down by the regulatory failures of their Government. I went into the recent general election supporting a Conservative manifesto that made a promise to Equitable Life policyholders in my constituency. It said:

> "We must not let the mis-selling of financial products put people off saving. We will implement the Ombudsman's recommendation to make fair and transparent payments to Equitable Life policy holders, through an independent payment scheme, for their relative loss as a consequence of regulatory failure."

I wish to take this opportunity to assure policyholders in my constituency that I for one do not intend to go back on that election pledge.

Most people accept that Equitable Life policyholders were the subject of Government maladministration, and that is certainly the view of the ombudsman, Ann Abraham. There is some dispute on all sides, however, about the level of compensation that should be paid to policyholders. Sir John Chadwick's report established that the relative loss suffered by Equitable Life amounted to between £4 billion and £4.8 billion, and the Financial Secretary, in his statement to the House this July, supported that figure. However, Sir John then used a series of convoluted calculations and speculative assumptions that allowed him to suggest a cap on the total amount of compensation that should be paid. He then went on to reduce that cap figure to just 10% of the relative loss figure that he himself originally calculated.

One of Sir John's most telling assumptions was that the majority of policyholders would have invested in Equitable Life irrespective of maladministration. That is a very big assumption that cannot be proved or disproved, but any rational person would consider such

[Gordon Henderson]

a lemming-like approach by investors as highly unlikely. I am simply not convinced by Sir John's arguments and I dismiss them out of hand, as do the Equitable Life policyholders in my constituency.

Like many Members, I have been in touch with many of those policyholders, and all they want is fairness, because they are fair-minded people. However, they are not stupid people, and they recognise that in these times of austerity even they must shoulder some of the burden needed to bring down the country's massive debt mountain. To ask them to accept a reduction of 90% in their compensation, however, is not only unfair but, as has been mentioned by other Members, immoral.

In the current economic climate, however, it would be right and proper to ask Equitable Life policyholders to accept a cut in compensation in line with those being proposed for Whitehall Departments. If departmental budgets are cut by 20% or 25%, as we are being led to believe, I am willing to support a similar reduction in the assumed total of Equitable Life's relative loss, which would mean a compensation package of between £3.6 billion and £3.8 billion. If anything other than a formula based on a figure in that region is proposed, I will be forced to vote against the Government when the figure for compensation is debated.

9.7 pm

Nicola Blackwood (Oxford West and Abingdon) (Con): I am grateful to have the opportunity to speak in this debate. At the outset, I would like to pay tribute to the many EMAG members and Equitable victims who have contacted me urging me to participate in this debate, and to those, including many Members on both sides of the House, who have campaigned so selflessly and for so long for justice for the thousands of Equitable victims in Oxford West and Abingdon and across the country.

As a fellow EMAG pledge signatory, I welcome the swift action that the Financial Secretary has taken in bringing this Bill before the House. In particular, I know that the many Equitable victims who live in my constituency—more than 3,000, according to EMAG—will welcome the commitment to an urgent and transparent timetable for payments. More than 30,000 policyholders have already died waiting for their Government to deliver them justice. For their dependants and the policyholders that remain, certainty and speed are imperative.

Nevertheless, since my Westminster Hall debate on the subject on 20 July and the Minister's statement on 22 July, a number of concerns have been raised with myself and colleagues by Equitable victims, and I would like to raise some of those concerns today. First, my constituents tell me they are uncertain about the current status of Sir John Chadwick's advice. In the Financial Secretary's remarks on 22 July, he stated that as he understood that certain aspects of the report were contentious, he had not yet accepted Sir John's report and would be receiving representations on its content.

The Financial Secretary stated today that he has had a number of meetings with Equitable Life, EMAG and the ombudsman since then. However, paragraph 3 of the terms of reference of the independent payments commission states:

"The Commission will have regard to the work undertaken by Sir John Chadwick on the methodology for calculating relative loss and base its allocation to policyholders on the relative loss figures provided to HM Treasury by Towers Watson."

Will the Minister please clarify whether the Treasury has indeed decided to accept the report and whether there will still be an opportunity for Equitable victims and others to attempt to influence that decision? In particular, will she explain why, if the report is not yet Government policy, the independent payments commission should have been directed to have regard to it and to the Towers Watson calculations that arise from it?

Secondly, I know that the Bill does not predetermine the amount of compensation or to whom it will be paid, but I would like to take this opportunity to applaud the decision to include in the commission's terms of reference a direction to take account of the estates of the deceased policyholders. Many Equitable victims in my constituency have welcomed that and feel that it goes a little way towards recognising the suffering of those who died waiting for justice.

I am happy to support the Bill this evening, as I believe that acting quickly to set up a compensation scheme for victims is of the utmost importance, but I am also aware that it does not address the elephant in the room: the final compensation amount. Equitable victims in my constituency have informed me that they are uncertain about to whom they should put their concerns about the final figure and how it will be calculated. There has been endless press speculation on the subject, some of it very heated. I know that the Minister will not be drawn into a debate on the final amount in advance of the comprehensive spending review, but I would like to press her to bring the decision on the quantum to the House as an oral statement, so that Members such as myself who have received extensive representations from constituents will have the opportunity to raise those concerns effectively. I fully support the principle that the amount of compensation allocated to Equitable victims must be affordable in the wider context of the public purse, but I share the concern of many in the House about some of the figures that are being bandied about. Given the sensitivity of the issue, I feel that Members should have the opportunity to debate that decision.

Mr Dominic Raab (Esher and Walton) (Con): Like my hon. Friend, I welcome the transparency and the finality provided by the Bill. However, like her constituents, none of the victims in my constituency will regard it as justice if compensation is just one tenth of the relative loss. Does she agree that we need a debate not just about the overall package, but about the quantum, the timing of the compensation and the tax status? All those issues need to be looked at creatively, and the pressure on the public finances make that debate more, not less important.

Nicola Blackwood: I agree with many of those points. It would be helpful if we could have some clarification about the future opportunities for Members to contribute to the debate, as it will continue and we will continue to receive significant representations.

I am conscious that the process of compensating Equitable victims and designing a scheme that campaigners can support must be done in the context of the previous Administration's record of delay and obfuscation—a record that has left Equitable victims with completely

shattered confidence both in the Treasury and in politicians to deliver any kind of justice at all. I will not go into the details of the previous Government's attempts to put roadblock after roadblock in the way of the Equitable victims. I am sure that everyone here is sadly familiar not only with that tale but with the morbid accusations that it led to: that the Treasury made a cold-hearted calculation that the longer it dallied, the more Equitable members would die—at a rate, I believe, of about 15 a day.

I know that the Minister is well aware that the victims of Equitable Life, who have been treated so shabbily for so long, need to see that despite their fears, not all politicians will betray them. I know that I am only one of many who have emphasised the appalling toll that this scandal and the decade-long battle for justice have had on our constituents. That is why I believe it is so important to have a process that is as transparent as possible, so that Equitable victims can be reassured that their Government are acting in good faith.

This issue is just one area where the coalition Government must try to rebuild the trust broken by the last Government's failures to take responsibility for their actions, but it is one that has ramifications that go far beyond the victims. If we get it right, it will communicate effectively and clearly that this Government will act in the interests of those who do the right thing and save for the future. At a time when public confidence in politics and politicians is at an all-time low, if we get this right, it will demonstrate clearly and effectively that this Administration will deliver in government what we promised in opposition.

9.14 pm

Charlie Elphicke (Dover) (Con): I, too, would like to congratulate my hon. Friend the Member for Congleton (Fiona Bruce) on her excellent maiden speech. I have subsequently spent much of the debate dreaming of Sandbach.

I recently held a public meeting in east Kent for my constituents in Dover and Deal, alongside my hon. Friend the Member for South Thanet (Laura Sandys) and her constituents in Sandwich, Ramsgate, Broadstairs and other parts of her constituency. It was a lively meeting, and I undertook to report to the House the representations that were made to us. There were three clear positions that the Equitable Life victims wanted me to communicate.

The first was that the Chadwick report is not a sound basis for compensation, and that the contributory negligence concept implicit in it is entirely rejected. The second was that the ombudsman's recommendations should be implemented, even if over a number of years with staged payments. The third was that payments should commence as soon as possible. For my part, I would like to say how sorry I am that the victims have been treated so badly for so long. I welcome the Bill, the compensation scheme and the action that is being taken.

Guy Opperman: Does my hon. Friend agree that, in these circumstances, an oral debate and a staggered system of intervention are two of the best ways ahead?

Charlie Elphicke: I absolutely agree with my hon. Friend. More than that, I urge Ministers to consider carefully a more generous compensation scheme than that recommended by the Chadwick report. I also urge them to consider making staged payments over some years, given the current pressure on the public finances as the nation today stands pretty much bankrupt. I hope that Ministers will give those points careful consideration when they bring forward the detail of the compensation package.

9.16 pm

Bob Blackman (Harrow East) (Con): I should also like to place on record my congratulations to my hon. Friend the Member for Congleton (Fiona Bruce). I have to confess that, as I listened to her speech, I looked at my road map, having driven through her constituency on many occasions, trying to avoid the traffic on the M6.

We should also congratulate Opposition Members who stood up to the previous Government and said that they were wrong to prevent the policyholders of Equitable Life from receiving just compensation. I also congratulate the right hon. Member for East Ham (Stephen Timms), who was left in isolation today, without the other members of his Front-Bench team who, under the Labour Government, made the decision to defend the indefensible—namely, 10 years of inaction and putting roadblocks in the way of the policyholders to prevent them from receiving their just compensation.

There are four players in this mix. First, there are the Equitable Life policyholders. They invested for their future and set aside money for their old age. They took a small risk, thinking that they would receive their just rewards in the long term. In normal circumstances, I would maintain that the public purse cannot bail out private investors, but this is a unique position, because those Equitable Life policyholders believed that the Government and the regulator were acting properly. It took court action and the ombudsman's report to drag out the fact that the reverse was the case. It is right that the policyholders should be compensated in the way that has been proposed.

Members of Parliament are also players, seeking to act as advocates for the policyholders who have been so badly treated. We all want to see just and proper compensation for those policyholders. Treasury Ministers are players, too, and they will have to deal with the politics, and with the financial chaos that the coalition Government have inherited. Finally, we have the Treasury, which will try to minimise the amount of money paid out, in order to safeguard the public purse.

I congratulate the Financial Secretary on taking prompt and appropriate action. He could, presumably, have stopped the Chadwick report in its tracks. However, that would have set us back at least a year, while we sought another approach. Instead, he allowed it to come to fruition. It is quite clear that members of EMAG and MPs of all parties, but particularly Government Members, are unhappy with the Chadwick approach and believe that his report is fundamentally flawed. The resulting issue is whether we are to adopt the approach of Chadwick or of the ombudsman—or some hybrid approach to deal with the disgrace that has happened.

We also have to deal with the fact that policyholders had a range of policies, which means that a range of people are involved. Many complex negotiations and calculations have to be undertaken. Sadly, some

[Bob Blackman]

policyholders are deceased. For them, whatever we do, it is too late. We should and must compensate their spouses, however, while ensuring that the survivors receive proper and due compensation. That is only right and just.

Angie Bray (Ealing Central and Acton) (Con): Does my hon. Friend agree that at a time when we want to encourage people to become savers again, it is vital to be seen to support these people and do what we can to help them through what turned out to be an absolute disaster? We must send out the right message—that we are here to support savers and that we want to do the right thing by them. Is that not the best way to help get people back to feeling secure in making savings?

Bob Blackman: I could not agree more with my hon. Friend.

There is a second set of policyholders within Equitable Life, whom I believe are critical—the people who have reached retirement age and are dependent on this income. Telling them that they will not receive any compensation until next summer is a disgrace. We have to do something more quickly to honour those people in their latter years so that they are properly compensated now, not when they are at death's door. I ask the Treasury team to look urgently at that matter.

Other sets of policyholders will have many years to go before they retire. They can be compensated in many years' time—with top-ups to their pension pots, for example, or in different ways. On these crucial issues, I hope that the Front-Bench team will confirm in the winding-up speeches what is going be done.

First, I believe we need an appeal process—not relating to the amount of money people receive, but to the structure of the scheme and where people will fit into it so that the payments can be made. That will be a complex area. I doubt very much whether everyone will be completely satisfied with the amount of money they eventually receive, so we really need an appeal process. I would welcome further confirmation from the Front-Bench team that they are considering how to deal with that.

Secondly, there is the issue of the total amount of money to be given to Equitable Life policyholders. It is quite clear from the estimates and all the reports that we are talking about something in the order of between £4.5 billion and £5 billion. I would like to see some recognition, for the benefit of EMAG members, that that is the total sum of money they are due. I think they all live in the real world; they know the financial mess the country is in, as bequeathed by the Labour Government. They will listen when it is explained that the number—whatever it is—needs to be adjusted down as part of the comprehensive spending review.

I have a real fear, however, that if we hear that number as part of the comprehensive spending review, people will start comparing the amount of money justly given in compensation to Equitable Life policyholders with, say, the amount that is being given to education, for schools, to hospitals, universities or old people's homes. Then we will face the problem of priority. I think everyone recognises that difficult choices lie ahead, but if we can get it recognised that the right sum is something in the order of £4.5 billion to £5 billion, it will be possible for policyholders to recognise that that will not be the full compensation that they will receive—but the right sort of signals will have been sent.

We also need to be clear on the acceptability of the Chadwick report and its methodology. We have heard tonight—every Member is of the same view—that the problem with the Chadwick report is that its methodology is flawed and that the total cap on the money is unacceptable. Let us hear that the Front-Bench team are going to sweep it away and that the figures involved will be taken into account, but will not be the be-all and end-all of the process. Then EMAG could feel that tonight was a good night for its members and we could feel confident in the future.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. The winding-up speeches will begin at 9.30. I ask the two remaining speakers to divide the remaining time between them.

9.25 pm

Julian Sturdy (York Outer) (Con): Thank you for calling me, Mr Deputy Speaker. I will try to be brief.

The sorry tale of the Equitable Life debacle has been raised on the Floor of the House on countless occasions over the past decade, and impressive words have been spoken, but it is real action that policyholders seek. In my view, the last Administration's failure to deal with Equitable Life was one of their most inexcusable errors.

Quite simply, Labour's abject decision plainly to ignore its duties to Equitable Life policyholders should not be forgotten. It is utterly shameful that the Labour Government literally waited for people to die rather than implementing the ombudsman's findings back in 2008, when they were, in essence, found guilty of maladministration. It is because of that rather bleak reality that those on this side of the House can be proud that the coalition Government have moved so quickly to introduce a Bill that finally provides the authority for a payments scheme. There is a stark contrast between the last Government and the new Government in that respect.

We must start making progress now, but policyholders could be forgiven for continuing to doubt whether payments will come to fruition any time soon, and it is on that specific point that I want to concentrate during the last couple of minutes of my time. On 17 July 2008, the parliamentary ombudsman, Ann Abraham, published a damning report which clearly advised Ministers to set up a compensation scheme for policyholders. Among the ombudsman's proposals was a recommendation for an independent payment scheme. I welcome the fact that a commission is now up and running, but I am concerned about the time scales set out by the Financial Secretary when he made his statement on Equitable Life in July. I fear that by allowing the commission to report back in January 2011, the Government have unintentionally created too much of an additional delay, particularly given the age of some policyholders. Furthermore, it is in everyone's interests for actual payments to be made with all due haste. Again, the current mid-2011 target is simply too far away for many affected investors.

I strongly urge the Government to do all that they can to bring forward the deadlines, and to ensure that policyholders do not have to wait a day longer than is absolutely necessary.

9.27 pm

Andrea Leadsom (South Northamptonshire) (Con): I am very conscious that I have only two minutes in which to speak. Let me begin by adding to the voices of many who have expressed their sorrow that this has happened. For so many years since the early 1990s there has been an injustice needing to be rectified. I pay tribute to the Government for their determination to do just that, in short order, and in particular for their commitment to a transparent, independent and clearly timetabled process.

Those developments are extremely positive, and I am very proud of them. Nevertheless, like many other Members, I have many constituents who are in dire straits as a result of the loss of their Equitable Life annuities, and I believe that we must take every possible step to put that right. I am well aware that we have been left in an impossible position by the last Government, with an economy that is on its knees and no money to spend in a discretionary way, and that the need to take into account the impact on the public purse is therefore very great. I have no doubt that some tough decisions will have to be made in the comprehensive spending review.

So much has already been said about justice and the need to put things right for Equitable Life policyholders that I do not need to add to it, but as a banker myself, I want to stress the importance of encouraging people to save. The last Government managed to destroy what was one of the best pension schemes in Europe, which was very strong and is now very weak. Not enough people in this country are saving for their pensions. We need to encourage people to have the confidence to save for their retirement, and that has never been more important than it is now.

I urge Ministers to take account of the fact that the country will be watching the results of this debate about compensation for Equitable Life policyholders, and will be expecting justice to be seen to be done.

9.29 pm

Mr Gareth Thomas (Harrow West) (Lab/Co-op): This has been a most interesting debate with very important contributions from many hon. Members. The hon. Member for Congleton (Fiona Bruce) made an excellent maiden speech. She gave a poetic description of the beauty of her constituency and, just for a second, all of us who heard her were transported back up to the north. She made the people of her constituency sound almost as good as the people of Harrow West. It was a pleasure to listen to her speech.

My right hon. Friend the Member for Holborn and St Pancras (Frank Dobson) and my hon. Friends the Members for Leeds North East (Mr Hamilton), for Ochil and South Perthshire (Gordon Banks), for Kilmarnock and Loudoun (Cathy Jamieson), for Bolton South East (Yasmin Qureshi), for Llanelli (Nia Griffith), for Derby North (Chris Williamson), for Edinburgh East (Sheila Gilmore) and for Foyle (Mark Durkan) all made strong speeches on behalf of their constituents. It would be remiss of me not to take this opportunity to praise in particular the contribution of my hon. Friend the Member for Leeds North East in jointly chairing the all-party group on Equitable Life policyholders. My right hon. Friend the Member for Holborn and St Pancras made the telling point that his general election opponents—like, I suspect, the opponents of all Opposition Members—did not mention any caveats when they signed the Equitable Life pledge in the run-up to 6 May.

To be fair, we also heard passionate speeches on behalf of their constituents from the hon. Members for Argyll and Bute (Mr Reid), for Angus (Mr Weir), for Chatham and Aylesford (Tracey Crouch), for Eastbourne (Stephen Lloyd), for Gillingham and Rainham (Rehman Chishti), for South Down (Ms Ritchie), for Witham (Priti Patel), for Worcester (Mr Walker), for Strangford (Jim Shannon), for High Peak (Andrew Bingham), for Redditch (Karen Lumley), for Macclesfield (David Rutley), for Richmond Park (Zac Goldsmith), for South Basildon and East Thurrock (Stephen Metcalfe), for Portsmouth North (Penny Mordaunt), for Central Devon (Mel Stride), for Brigg and Goole (Andrew Percy), for Mid Norfolk (George Freeman), for Warrington South (David Mowat), for Waveney (Peter Aldous), for Wells (Tessa Munt), for Newton Abbot (Anne Marie Morris), for Wycombe (Steve Baker), for Weaver Vale (Graham Evans), for Carmarthen West and South Pembrokeshire (Simon Hart), for Halesowen and Rowley Regis (James Morris), for Nuneaton (Mr Jones), for Sittingbourne and Sheppey (Gordon Henderson), for Oxford West and Abingdon (Nicola Blackwood), for Dover (Charlie Elphicke), for Harrow East (Bob Blackman), who is my constituency neighbour, for York Outer (Julian Sturdy) and for South Northamptonshire (Andrea Leadsom).

It was striking how much concern was expressed by those on both sides of the House about the lack of clarity in the Government's position, with every Member noting the very big gap between the Chadwick approach and the ombudsman's approach—albeit, I accept, that some did so very directly, while others did so with some sound and fury directed at those on the Opposition Benches. Members also noted the very different impression that Equitable Life policyholders are getting about the stance of Government Front-Bench Members now and that which they adopted before the general election.

As my right hon. Friend the Member for East Ham (Stephen Timms) said, we welcome the Bill and we will not oppose it, but we will seek to amend it in Committee, and we will want to probe the Government's plans further. The Bill provides no detail on the criteria under which payments will be made, so we are no further forward in knowing what Equitable Life policyholders will get. No provision has been made for the independence of the compensation scheme to be established on a statutory basis. The Bill does nothing to ensure an independent appeal process for those who feel they have been unfairly treated—a point made by my hon. Friends the Members for Llanelli and for Ynys Môn (Albert Owen) and the hon. Member for Harrow East. There is also still no clear timetable governing when payments are to be made. The Bill makes no mention of the work of the independent commission. We will want to explore further in Committee how the commission is working.

I recognise that there are two serious tensions between the Treasury and the Department for Work and Pensions, but I was surprised to learn that the Financial Secretary

[Mr Gareth Thomas]

has not resolved whether means-tested benefits will be affected by any compensation that Equitable Life policyholders on such support receive. Equitable Life policyholders on such means-tested support will now be worried that they will be hit by coming benefit cuts and then hit again because of any compensation they might get. I hope that when the Economic Secretary replies she is able to offer some further clarity, and we will certainly want to explore this matter in Committee.

What was most striking about the Financial Secretary's opening speech was the absence of any effort to resolve the lack of clarity about whether he favours Sir John Chadwick's approach or the ombudsman's approach. The manifestos of the Conservatives and their Liberal Democrat partners, and also the coalition agreement document, appeared to be clear. The Conservative party said:

"We will implement the Ombudsman's recommendation"

So the ombudsman's recommendation was clearly mentioned there, and it was referenced yet again in the coalition agreement document, which committed both parties to "implement" the parliamentary "Ombudsman's recommendation". Even though the parliamentary ombudsman has been crystal clear in her profound disagreement with what Sir John Chadwick has recommended, the Minister notably did not clear up whether he agreed with her assessment of the Chadwick proposals as

"an unsafe and unsound basis on which to proceed."

We now have a clear assessment of the estimated scale of relative loss, yet clear hints have also been given that the total payout will be very much less than those estimates. EMAG, which was rightly praised by those on both sides of the House, for the skill and persistence with which it has campaigned on this issue, invited candidates to sign its pledge and

"support and vote for proper compensation".

Crucially, it said that that was to be as

"recommended by the Parliamentary Ombudsman."

As my right hon. Friend the Member for East Ham said, every Treasury Minister signed that pledge and every one of them would have known then that they were committing themselves to a far higher figure than the sums now being suggested as a result of Sir John Chadwick's conclusions.

In case there were any doubts, EMAG went out of its way, in the run-up to the election, to sweep away the possibility of confusion by making it very clear that it did not accept Sir John Chadwick's work and wanted candidates to champion the ombudsman's approach, which offered very different financial costs and scheme details from those that Sir John's work would produce. Like the Grand Old Duke of York, the parties opposite have marched the Equitable Life victims up the hill only, once the election was over, to march them promptly back down again. Their hopes and expectations so cunningly built up before the election have been crushed in an exercise that, by any definition, looks breathtakingly cynical.

Charlie Elphicke: Speaking of breathtaking cynicism, it ill behoves the shadow Minister to offer thruppence and criticise others who offer sixpence or more.

Mr Thomas: I recognise the hon. Gentleman's difficulty. He signed the pledge—he confirmed that in his speech—but because of the actions of his Front-Bench team he is going to be embarrassed in front of his constituents. I suggest that he, along with some of his colleagues, needs to put urgent pressure on his Front-Bench team.

As my hon. Friend the Member for Central Ayrshire (Mr Donohoe) pointed out in his intervention, what has also been telling in this debate has been the Conservatives' unwillingness to take any real responsibility for the failure of regulation surrounding Equitable Life. The Penrose report made it clear that a significant part of the regulatory failure occurred before 1997. Indeed, proposals were put to Conservative Ministers before 1997 that would have updated life insurance regulation, both domestically and within Europe, yet those Ministers either did not think that they were a high priority or argued against reform. A light-touch, low-intervention culture existed in which regulators were poorly resourced or simply not up to the job, so it is hardly surprising that the ombudsman herself, in charting regulatory failure, should set out in July 2008 10 findings of fact relating to regulatory failure, five of which related to events prior to the start of the Labour Government in 1997.

As my right hon. Friend the Member for East Ham has noted, the Government of whom we were members issued a clear apology to Equitable Life policyholders, and I associate myself with those remarks. However, there has yet to be any apology for the mess that passed for financial services regulation under the Conservative party's last watch.

Andrew Percy: While we are in the spirit of apology, will the hon. Gentleman, from that Dispatch Box, apologise to my constituents for not providing them with a single penny of compensation before his Government got voted out in May?

Mr Thomas: I think that the hon. Gentleman should have been listening to my earlier remarks, but I recognise the difficulty that he has, along with that of many of his constituents. He marched his constituents up the hill, promising them great sums of money in compensation, and it is now becoming clear that his Front Benchers will not deliver on that commitment. The hon. Gentleman should start to put a bit of pressure on his colleagues. Perhaps he will join us in supporting the amendments we will seek to table to improve the Bill further.

Mr Tyrie: Will the hon. Gentleman say how much more than Chadwick proposed that policyholders would have had any chance of getting had Labour won the last general election?

Mr Thomas: I say gently to the hon. Gentleman that rather than looking back, we need to look forward. The hon. Gentleman, who serves as Chair of the Select Committee on the Treasury, will, I hope, work with his hon. Friend the Chair of the Select Committee on Public Administration to hold those on his Front Bench to account.

Even though Lord Penrose concluded that regulatory system failures were secondary to the society's own behaviour as a cause of its problems, the last Government, rightly in my view, recognised that many policyholders

had been disproportionately affected. The ombudsman suggested a scheme with a case-by-case review that considered 30 million investment decisions by 1.5 million people, but that would have taken an estimated 4,000 staff years to resolve. That is the scheme to which the Conservative party committed in its manifesto. Case-by-case comparison for policyholders was not something that we thought was practicable.

Sir John Chadwick has proposed a simpler arrangement. If Government Members are now accepting the fundamentals of Sir John's approach, they should at least be honest with the ombudsman and, crucially, with the hundreds of members of the Equitable Members Action Group and with this House. Is it not the truth that the parties on the Government Benches knowingly allowed members of EMAG to believe that they were opposed to Sir John Chadwick's work and that they wanted a far greater sum to be available for compensation? In reality, yet another manifesto commitment is being ignored and yet another group of electors is having to come to terms with the fact that, despite what they were led to believe that Government Members wanted, their Front Benchers now have no commitment to the original pledge and no intention of following it through.

9.42 pm

The Economic Secretary to the Treasury (Justine Greening): In closing this important debate, I want to thank all Members who have participated. This has been a passionate debate, and I pay tribute in particular to the maiden speech of my hon. Friend the Member for Congleton (Fiona Bruce). I thought she did a fantastic job. She was right that she has some special shoes to fill, but we got a flavour from her tonight that showed that she will fill those shoes very ably. I congratulate her on that maiden speech.

There have been 43 speakers in today's debate, the overwhelming majority of whom sit on the Government Benches. Most Opposition Members realise that their Government thoroughly let down the members of Equitable Life, and we agree with that. We think that this saga has gone on for way too long. It has affected all our constituents, including my own.

We managed to get out of those on the Opposition Front Bench that—I think—they support the findings of the Chadwick report. If they disagree with that, perhaps they would like to intervene. It is quite important to make the point about how much they would have been willing to pay out as compensation to Equitable Life policyholders. We can take it from their silence that the Chadwick report was commissioned by the previous Government and is now accepted by Labour's Front Benchers in opposition. It shows that, in spite of the warm words, within two weeks of getting the Chadwick report they would have been quite happy to set up payments much lower than many members of EMAG were hoping for. It is fair to put that into context: that followed 13 years of zero payments from the previous Government.

We have decided to take a different approach, which has been guided by three core principles: fairness, swiftness and transparency. In fact, my hon. Friends the Members for Sittingbourne and Sheppey (Gordon Henderson), for Worcester (Mr Walker), for Wycombe (Steve Baker) and for Macclesfield (David Rutley), as well as the hon. Member for Llanelli (Nia Griffith), all mentioned those principles, which we share. Indeed, my hon. Friend the Member for Oxford West and Abingdon (Nicola Blackwood) made a speech about the need for transparency, and we agree with that. That is why we have tried to make the process as transparent as possible—to make sure that all the interested parties know what is driving the process and so that they have the opportunity to contribute towards our thinking.

Since coming to office, the coalition Government have clearly shown that reaching a resolution for Equitable Life policyholders is a real priority. I assure hon. Members on both sides of the House who seem to be under the impression that there is some delay—those of us who have been in the House for a longer time have been working alongside our Equitable Life constituents who have suffered losses for many years now—that this delay is to make sure that there is no more delay. We are going through this process to ensure that the payments we are able to make are fair and transparent and so that there is some genuine compensation for the people who have suffered.

In our programme for government, we pledged to

"implement the Parliamentary and Health Ombudsman's recommendation to make fair and transparent payments to Equitable Life policy holders",

and we have already taken the first steps towards honouring that pledge. We have established the Independent Commission on Equitable Life Payments, which is assessing the best way of allocating payments to policyholders. For those Members who asked how payments will be allocated, let me be clear: the independent commission will report in January on its assessment of the best and fairest way of allocating payments, including, as the hon. Member for Strangford (Jim Shannon) mentioned, to the relatives of people who are now deceased. It is one of the greatest tragedies of this whole saga that some people simply did not live to get their compensation payments, but this Government will make sure that their families nevertheless get redress.

In spite of what we have just heard from the Opposition spokesman, we are introducing a fundamental part of the process by which we can make compensation payments. The Equitable Life (Payments) Bill—that title would have been something of an oxymoron under the previous Government—was announced as part of the Queen's Speech and we can all welcome it as a key step along the path towards making the payments that have not been made for the past decade under the previous Government.

Several Members, including the hon. Member for Angus (Mr Weir), have talked about having a clear timetable, so let me be absolutely clear: we want to start making the first payments to policyholders by the middle of next year. Today is all about having the chance to take a further step towards reaching a resolution. Our passing the Bill will enable policyholders to receive payments irrespective of decisions about exactly how the future scheme will look or the value of payments made.

I remind hon. Members across the House that the setting up of an independent commission was a key point in the ombudsman's report. I think we all recognise that that independence is critical and we need to allow the independent commission to get on with its work, to consider the various representations, including the Chadwick report, and to decide how best we can ensure that

[Justine Greening]

payments are fair. There are many different views about these difficult issues and, although those key issues are not the subject of the Bill, they are important when deciding how we should progress.

Members across the House have raised a number of important issues which I will try briefly to address in the time that is left. First, let me reiterate the timetable and the next steps. As I have said, the independent commission has started its work. My hon. Friend the Financial Secretary, who should be congratulated on the pace at which he has brought forward the various steps we are taking, will provide a response to Sir John Chadwick's report at the time of the spending review on 20 October. At that stage, it will also become clear how much it will be affordable to put into the scheme. The commission will then look at how it will all work and it has been asked to report at the end of January. Following that, we will set about putting its recommendations into action. As I have said, our ambition is to have made the first payments by the middle of 2011.

Frank Dobson: I gave the Minister's colleague the opportunity to answer this question: will the Government proceed with the scheme put forward by the commission if EMAG says it should be rejected?

Justine Greening: I know that my hon. Friend the Financial Secretary has met representatives of EMAG over the past few days. EMAG will have the chance over the coming weeks to make representations to the commission about what it considers the fairest way to allocate payments. The independent commission must be independent of everybody and must be allowed to get on with its job. That is what we propose to let it do. We should not prejudge it. We should allow it to proceed with the work that has been set out. As I said, the approach recommended by the ombudsman in her report was that the setting up of the scheme should be looked at independently. We have decided to follow her recommendation. It is important that that should now happen.

Members asked about an appeals process. That is a fair question. We are still considering the details of how such a process might work. I am sure that the independent commission will also consider how that could become part of the process. The key requirement is that any appeals process is independent of the initial assessment of an individual's claim.

One of the other issues that has come up is why we have not put more detail about the scheme in the Bill. Although that it a fair question, it prejudges what the independent commission might propose. As I have said a number of times, we need to allow it to get on with its work so that it can propose the design of the scheme. It is wrong to prejudge that by baking into legislation steps that the commission may consider unnecessary.

Mr Weir: When the Minister was introducing the Bill, I asked him whether the details of the scheme would be debated on the Floor of the House. Those details are important. We all understand that this is an enabling Bill, but we must have the opportunity to examine the scheme in more detail.

Justine Greening: We will make sure that when the document from the independent commission is published and the final proposal emerges for how the scheme should work, Parliament will get the chance to hold the Government to account for it. We will consider the best way for that to happen. There is no doubt that today was a good opportunity for Members across the House to air their views on the key aspects of any scheme. I encourage them to continue doing that. One of the questions that we heard from those on the Government Benches was how Members could continue to be part of the process of reaching a resolution. I urge Members to continue to have their say and to represent their constituents in the way that many did so passionately today.

On the issue of delayed payments, aiming to make an interim payment and a more substantial payment at a later date would prolong the process unnecessarily. What we need to do now is reach a solution for the Equitable Life policyholders who have suffered, so that they know where they stand and get full redress according to what we are able to pay them. Spreading payments over many years would greatly increase complexity, not to mention administration costs. It might also leave most policyholders in limbo about how much they would receive in financial settlement.

Many Members are concerned about the delays that have already occurred. We want to minimise the time before which people know what their final settlement will be, not least because, as we have heard from across the House, many Equitable Life policyholders are dying while they wait for that to happen.

It was fair to make the point about tax and welfare, and we have included the relevant clause in the Bill precisely because we want to look at how we might handle the tax situation in relation to any future compensation payments to Equitable Life policyholders. We have included it precisely to give ourselves some flexibility. I have no doubt that Opposition Front Benchers will want to return to the matter and debate it in Committee, and we will be very happy to hear what further remarks they have to make. However, in order really to provide some reassurance, I must say that we have structured the Bill as we have because we do not want any legislative impediments to making the settlement that we want to make. With this Bill, we have tried to ensure that we have the powers that we may need, so that we do not suddenly reach the point at which an issue arises and find out that we have to return to the Chamber to secure further powers that further waste time. We have decided to get on with the matter.

A number of Members, including the hon. Member for Leeds North East (Mr Hamilton), who I cannot see in his seat, and my hon. Friend the Member for Halesowen and Rowley Regis (James Morris), talked about a moral obligation to make payments, and we agree that now is the time to take action. We very much hope that over the coming weeks we will secure cross-party support, and I am pleased that the Opposition will not divide the House tonight. That would have been a real mistake and a continuing tragedy for Equitable Life policyholders.

Inside Parliament and outside, the Government are committed to continuing their programme of extensive engagement on the issues that have been raised in today's debate, and on the issues that we know we will have to address if we are to reach a fair resolution.

As I wrap up this debate, I should like to highlight the work of the various action groups that have campaigned vigorously on behalf of policyholders, in particular the members of the Equitable Members Action Group and the Equitable Life Trapped Annuitants who have played their role in ensuring that some of the worst affected policyholders have had their voices heard. The Government have held meetings with representatives of both parties and are now carefully considering their views as part of the wider resolution process. We know that we need to get the matter right, and I want to stress that at this point no final decisions have been made about the size of the future scheme. We want to continue to gather the views of a wide range of parties before any plans are set in stone.

I know that Members from all parts of the House have a great deal of respect for the parliamentary ombudsman; we heard that in today's debate. My hon. Friend the Financial Secretary met her this week to discuss the issues, and her input has been vital. We recognise her concerns and share her desire to achieve a resolution that is fair for policyholders and for the taxpayer. The resolution must not only achieve justice for policyholders but, as the ombudsman herself pointed out,

"consider the potential impact on the public purse of any payment of compensation…and…the opportunity costs elsewhere through the diversion of resources."

There are many important conversations to be had about how the scheme will operate, and about the size of the payments that will be made to policyholders, but there is no doubt that policyholders have waited too long for a conclusion to the saga, so I for one do not want to see the process unnecessarily extended, and nor do the coalition Government. We take the maladministration of Equitable Life very seriously; we have highlighted in our programme for government that resolving the issue is a real priority; and we have taken a number of steps towards achieving a resolution. By passing the Bill, the House can now show how important it regards the issue, and that its Members recognise the need to act swiftly on the matter.

I fully sympathise with the plight of policyholders, who have waited for more than a decade for justice, but justice will be achieved only by passing this important piece of legislation, so I commend the Bill to the House.

Question put and agreed to.

Bill accordingly read a Second time.

EQUITABLE LIFE (PAYMENTS) BILL (PROGRAMME)

Motion made, and Question put forthwith (Standing Order No. 83A(7)),

That the following provisions shall apply to the Equitable Life (Payments) Bill:

Committal

1. The Bill shall be committed to a Committee of the whole House.

Proceedings in Committee, on consideration and on Third Reading

2. Proceedings in Committee, any proceedings on consideration and proceedings on Third Reading shall be completed at one day's sitting.

3. Proceedings in Committee and any proceedings on consideration shall (so far as not previously concluded) be brought to a conclusion one hour before the moment of interruption on the day on which those proceedings are commenced.

4. Proceedings on Third Reading shall (so far as not previously concluded) be brought to a conclusion one hour after the commencement of those proceedings or at the moment of interruption on that day, whichever is earlier.

5. Standing Order No. 83B (Programming committees) shall not apply to proceedings on the Bill in Committee and on consideration and Third Reading.—*(Miss Chloe Smith.)*

Question agreed to.

EQUITABLE LIFE (PAYMENTS) BILL (MONEY)

Queen's recommendation signified.

Motion made, and Question put forthwith (Standing Order No. 52(1)(a)),

That, for the purposes of any Act resulting from the Equitable Life (Payments) Bill, it is expedient to authorise the payment out of money provided by Parliament of any expenditure incurred by the Treasury or a government department by virtue of the Act.—*(Miss Chloe Smith.)*

Question agreed to.

House of Commons Commission

9.59 pm

The Leader of the House of Commons (Sir George Young): I beg to move,

That Nick Harvey be discharged and Sir Paul Beresford and John Thurso be appointed as members of the House of Commons Commission under the House of Commons (Administration) Act 1978.

This is a routine motion to change the membership of the House of Commons Commission, which is a statutory body established by the House of Commons (Administration) Act 1978. It is, in effect, the governing body of the House of Commons. Its responsibilities are set out in its annual report, which I encourage all right hon. and hon. Members to read, as it is an invaluable source of information about the strategic management of the House.

As you know, Mr Speaker, the membership of the Commission includes two ex officio members—you and me—and one member nominated by the Leader of the Opposition who is, by convention, the shadow Leader of the House, whom I welcome to the debate this evening. The Commission also consists of three Back Benchers appointed by the House. They are currently the hon. Member for Middlesbrough (Sir Stuart Bell) and my hon. Friend the Member for North Devon (Nick Harvey). David Maclean, who served on the Commission from 2005 until the election, ceased to be a member automatically when he retired from the House at the election.

Taking up a ministerial position does not automatically lead a member of the Commission to vacate their office, so the motion discharges my hon. Friend the Member for North Devon, who is now Minister of State for the Armed Forces. I am sure that the whole House will join me in thanking the outgoing members of the Commission for their work on its behalf.

Both David Maclean and my hon. Friend served through the challenging recent events surrounding our expenses, but they also played their part in many more positive developments. The implementation of the Tebbit review, which involved a fundamental restructuring of the House of Commons service, has been one of the Commission's biggest achievements in recent years. But the Commission has also made significant achievements in other areas, such as promoting greater awareness of the House's environmental impact, establishing the House's equality scheme, developing a 25-year estate strategy, introducing new broadcasting arrangements and, this month, opening the new nursery.

If the motion is agreed, the outgoing members will be succeeded by my hon. Friend the Member for Mole Valley (Sir Paul Beresford) and my hon. Friend the Member for Caithness, Sutherland and Easter Ross (John Thurso), who chairs the Finance and Services Committee. Both have served their parties in government or opposition and both have wide-ranging experience of serving on Select Committees of the House, both as a member and as Chair.

I am sure that the House will have the greatest confidence in the wisdom and experience that both Members will bring to the deliberations of the House of Commons Commission and the Members Estimate Committee, given that membership of one flows from the other. I look forward to working with both of them and I commend the motion to the House.

10.2 pm

Ms Rosie Winterton (Doncaster Central) (Lab): I, too, pay tribute to the work of the hon. Member for North Devon (Nick Harvey) and the former right hon. Member for Penrith and The Border on the House of Commons Commission. Both served for five years on the Commission under two Speakers. The hon. Member for North Devon was not only a highly respected member of the Commission but was its spokesperson on the Floor of the House, a role that he fulfilled with great aplomb. We congratulate him on his appointment as Minister for the Armed Forces.

The former right hon. Member for Penrith and The Border was also an assiduous member of the Commission, bringing to bear his experience as a former Chief Whip. He retired from the House at the election but leaves behind his fine House of Commons reputation. He will be missed on the Commission.

I should like to thank the longest-serving member of the Commission, my hon. Friend the Member for Middlesbrough (Sir Stuart Bell), for his ongoing commitment and dedication. The Leader of the House clearly set out the achievements of the House of Commons Commission in recent years and I welcome the appointment of the hon. Members for Mole Valley (Sir Paul Beresford) and for Caithness, Sutherland and Easter Ross (John Thurso), who are to serve on the Commission. I am sure that the whole House will join me in wishing them well in the important role of ensuring the smooth running of the House.

10.4 pm

Peter Bottomley (Worthing West) (Con): I join the right hon. Member for Doncaster Central (Ms Winterton) in paying tribute to—I have no idea whether he is right honourable, but if he is not he certainly should be—the Member for Middlesbrough (Sir Stuart Bell), and in thanking David Maclean for the service he has given. I say to my right hon. Friend the Leader of the House, and to you, Mr Speaker: thank you for the role you fulfil.

I do not know whether the Commission has much to do with the Independent Parliamentary Standards Authority, but IPSA deserves to have as much support as possible in getting right its role. I shall not talk now about its responsibilities, but I would say that IPSA was set up because the House and the Commission—

Mr Speaker: Order. The subject of IPSA has precisely nothing—repeat, nothing—to do with the terms of the motion. I therefore know that the hon. Gentleman will not seek to dilate on the matter but will confine himself to the specifics of the motion.

Peter Bottomley: I thought, Mr Speaker, that I had left IPSA behind in the wake of my introductory remarks, and I intend not to refer to it again.

The point I was going to make is that the holder of your office, Mr Speaker, and the holders of other offices, failed to support Elizabeth Filkin when she was Parliamentary Commissioner for Standards.

Mr Speaker: Order. I am afraid that, although the hon. Gentleman has tried, the second go was no better than the first. The matter has absolutely nothing to do with the terms of the motion, on which I hope the hon. Gentleman will focus the remainder of his remarks.

Peter Bottomley: If the House of Commons Commission has no role in relation to the Parliamentary Commissioner for Standards, I am misguided.

Mr Speaker: Order. Let me help the hon. Gentleman. I made no such observation or suggestion whatsoever. The issue is not the sphere of competence of the Commission but the substance of the motion that Members are supposed to be debating.

Peter Bottomley: In welcoming the proposed appointment of my hon. Friend the Member for Mole Valley (Sir Paul Beresford) and the hon. Member for Caithness, Sutherland and Easter Ross (John Thurso), I express the wish that my confidence is not misplaced, as it sadly might have been in the past. If we expect the Commission to be able to defy, on occasion, the wishes of this House and support the work of those who work with the Commission and alongside it, we will be able to praise them not just in advance of their appointment but after their service as well.

I make this point without anticipating contradiction: had we done better in the past, those who take on the responsibility of being part of the Commission would have had, and will have, an easier job than they have had. In the days when I was defending the holder of a different office, most of the House asked why I was doing it. The reason was that the Speaker, the Leader of the House and others have responsibility for considering issues on their merits, and I expect that those appointed to the Commission will do the same.

The fact that there may have been failures in the past was not a big surprise, because some in high authority did not give the backing they should have done. I hope that if any member of the Commission finds that they are in a similar position in future, they will say, openly, "It may be a minority interest, but those who serve in this House have got to be prepared to be unpopular, to defy convention at times, and to remind those who serve this House that virtually every page in "Erskine May" is there because something has happened for the first time." If anyone rolls out the historic negative, saying, "You can't do this in a new way because nobody's done it that way before", they should read the pages of "Erskine May"—not just the present edition but those from the past as well.

I wish honourable service to those who have joined the Commission, and I praise those who have been part of it. Let us never again find that when MPs are investigated, members of the Commission, whether in that position or in their other positions, fail to back those who ask for a higher standard of behaviour within this House. I say that, I think, without contradiction this time.

Mr Speaker: We are grateful.

Question put and agreed to.

Mr Speaker: Now that the motion has been agreed and Mr Nick Harvey has been discharged, and in the light of the very welcome remarks of the Leader of the House and the shadow Leader of the House, I should like to record my heartfelt thanks to Nick Harvey for his five years' service on the Commission and the Members Estimate Committee, and especially for acting as Commission spokesman throughout that time, as well as for his work on the 2008 review of allowances. In addition, I should like warmly to thank the former Member for Penrith and the Border, David Maclean. He was appointed to the Commission on 1 November 2005, replacing Sir Patrick Cormack, and he served until the end of the last Parliament. We appreciate the work of Mr Harvey and of David Maclean.

Business without Debate

DELEGATED LEGISLATION

Motion made, and Question put forthwith (Standing Order No. 118(6)),

ELECTRONIC COMMUNICATIONS

That the draft Communications Act 2003 (Maximum Penalty for Persistent Misuse of Network or Service) Order 2010, which was laid before this House on 25 March 2010, in the previous Parliament, be approved.—*(Angela Watkinson.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

DEFENCE

That the draft Armed Forces Act (Continuation) Order 2010, which was laid before this House on 2 June, be approved.—*(Angela Watkinson.)*

Question agreed to.

Motion made, and Question put forthwith (Standing Order No. 118(6)),

EQUALITY

That the draft Equality Act 2010 (Consequential Amendments, Saving and Supplementary Provisions) Order 2010, which was laid before this House on 14 July, be approved.—*(Angela Watkinson.)*

Question agreed to.

Youth Employment (Wirral)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

10.11 pm

Alison McGovern (Wirral South) (Lab): Thank you, Mr Speaker, for giving me the opportunity to raise this issue of importance to my constituency in my first Adjournment debate. I should like to say a few words about young people's employment opportunities in Wirral. Specifically, I will highlight the success of the Wirral apprenticeship scheme, touch on some wider employment issues and finally consider the numbers involved and the problem that we face in the supply of employment opportunities.

I begin by highlighting the great success of the Wirral apprenticeship scheme. Wirral council, in partnership with Connexions and Jobcentre Plus, has done an excellent job of increasing the number of apprenticeships and, most importantly, helping young people to apply for them. It has used working neighbourhood funds to support local businesses in hiring 167 young people in everything from dairy farming to jewellery design. Nearly half those young people were not already in employment, education or training, or were at risk of drifting on to the dole, which none of us wants to see.

There were two elements to the scheme. First, the council committed funding for a member of staff for 18 months if a business would commit to employing them for two years. The second, and I believe more important, part of the scheme related to recruitment support and how the council went about finding the businesses to take part and the young people to be employed by them. I pay tribute to Viv Stafford, Mel Campbell and the team at Wirral council, who worked proactively with young people and employers so that businesses were supported all along the way and young people were able to gain confidence prior to their work interview. Their priority was young people at risk of becoming a burden on the state and businesses with little existing experience of apprenticeships or of hiring young people.

Overall, the scheme resulted in not only more apprenticeships and young people who were work-ready to take up the opportunities available, but in employers gaining the confidence to offer young people more work experience. Rather than just apprenticeships per se, employers also offered work placements. I feel that the programme ought to be replicated across the country. We have real expertise in Wirral, and we can help ensure that this generation of young people does not end up missing out on the chance of success. I ask the Minister whether he supports local government playing such a leading role, and what the Government can do to back up councils that want to take that approach. My lesson from Wirral is that a cross-partnership approach involving all the responsible agencies is needed, no matter which bit of the state they are involved in. I should like to know what he thinks about that approach.

To move on from the Wirral apprenticeship scheme, there are wider issues to consider in young people accessing employment. The future jobs fund, which ensured that young people had continuity on their CVs, is now gone, and young people without work experience face a very tough labour market. My job is not to stand here and whinge on behalf of Merseyside—I will never do that. However, historic facts about our area mean that the employment picture there can be more fragile than elsewhere. It is therefore all the more important for us that Connexions, working with schools, can assist and advise young people on getting good-quality work experience placements, as well as training and mentoring. Young people need independent advice, but teachers do not always have the time to get up to speed with how the labour market has moved on. That independent advice is important.

Businesses, too, have a responsibility. They must show commitment to the next generation. When I became an MP, I went around and talked to lots of businesses in my community on how they felt about that. Thankfully, Wirral businesses told me that they absolutely want to make such a commitment. Invest Wirral has a fantastic business support team that is committed to connecting businesses with all the Government help that is available and with help from other sources. However, that depends on our local authority having the resources to provide that support. It is under great pressure given the budget cuts that are being handed down, as is all state funding.

As a side point, we should not let the media off the hook. Sometimes, there is great pressure on young people to succeed at A-levels and go straight on to a university degree, whether or not that is right for them. I would like the media more often to celebrate successful apprentices and young people who are in business. Academic success is important, but it should not be prioritised for media coverage every year at results time at the expense of all other forms of success among our young people. The more we celebrate the diversity of our young people, the more confident they will be, and we know how important self-esteem and confidence are when it comes to people achieving their hopes.

Will the Minister give me more information on what the Department for Work and Pensions and other Departments plan to do to support young people to gain work opportunities, including, but not only, apprenticeships? Will the Government support the recruitment process? I am sure he will give me a positive answer to this question: will he commit, with all Ministers, to talking up the achievements of our young people?

We know that, in part, this is a numbers game. We had a good opportunity to discuss the national apprenticeships scheme in Westminster Hall, when the fact that there are simply not enough apprenticeships out there for the people who want them was brought to light very clearly.

Esther McVey (Wirral West) (Con): The hon. Lady and I are on opposite sides of the House, but our constituencies are next to each other, and on this matter we stand side by side. We both talk very passionately about youth unemployment and apprenticeships, and she will no doubt know that I am taking on an apprentice. However, Labour's legacy is dire. Labour brought about the highest number of young people aged between 18 and 24 not earning or learning—the proportion is nearly 20%. Although I agree with her rhetoric, the evidence of what Labour did in reality is somewhat lacking. Will she join me in welcoming the new Government's allocation of £600 million for programmes to support unemployed young people and £150 million for 50,000 apprenticeships?

Alison McGovern: The hon. Lady raises a few questions, but she and I stand side by side in ensuring that there are enough opportunities for apprenticeships—I agree with her up to that point. I understand what she says, but I invite her to come with me to visit Age Concern Wirral, which uses the future jobs fund to employ young people to do very important work in caring for those with Alzheimer's. Those young people were getting continuity on their CVs, so that once the economy picked up, they would be work-ready and ready to look for opportunities. The Government's first act was to take that away, which is having a real impact. I agree with her in many ways, but I obviously cannot agree with her about the previous Government's record.

Julie Hilling (Bolton West) (Lab): I am grateful to my hon. Friend for initiating this debate, which is important to the future of our young people. Does she agree that we have just faced an enormous global recession that has put young people out of work and made life very difficult for them, and that one of the challenges that we face is finding enough employers to take on apprentices? We therefore badly need the Government to encourage employers to take on apprentices whenever possible.

Alison McGovern: I agree with my hon. Friend. It is, sadly, rare to be inspired by a local authority officer, but I was totally inspired by our team in Wirral, which has taken employers in the area on a journey. Employers with no history of working with young people or taking on apprentices have become so confident in the scheme that they are fully funding their apprentices. We need to spread that approach across the country, and I hope that the Minister will say more about how we could do that.

There are not enough work opportunities for young people whereby they can train on the job. The Government have said that they will increase the number of opportunities, but we need truly additional funding, not just a re-badging of existing training schemes. Unless there are more opportunities for young people—and business has a role to play in this as much as Government—we will see great frustration and, ultimately, more young people on the dole. That is my real concern. That would damage not only any attempt to reduce the budget deficit, but those young people for years to come. Labour markets demonstrate hysteresis—they have memory. If a place has suffered unemployment in the past it is more likely to continue to do so, and that lowers the skills and the confidence of the people. Merseyside has worked hard, and will continue to do so, to combat the worst effects of the 1980s, some of which we still feel, but not continuing the increase in apprenticeships and work opportunities for young people will set us back and we will feel the effects for many years to come. People in my constituency do not want austerity economics: they want investment in our young people.

I would be grateful if the Minister explained how the Government will increase the number of work opportunities in the UK and, specifically, how that will affect Wirral and the Merseyside travel-to-work area.

10.22 pm

The Minister of State, Department for Work and Pensions (Chris Grayling): I congratulate the hon. Member for Wirral South (Alison McGovern) on securing her first Adjournment debate on a subject that is a matter of concern across the House. I share her concerns about Wirral and Merseyside. In the previous Parliament I was the shadow Minister with responsibility for building knowledge, understanding and ties between my party and the people, businesses and communities of Merseyside, and I also spent time in Wirral supporting my hon. Friend the Member for Wirral West (Esther McVey).

The hon. Lady mentioned the 1980s, but it is not what happened 30 years ago that defines the present moment. What defines the present moment is the failed inheritance from the previous Government. They had 13 years of unprecedented economic growth, and they spent billions of pounds on welfare programmes, but the number of people on out-of-work benefits—in Merseyside and elsewhere—remained stubbornly high. They failed to get people off benefits and into work. That failure matters now, when we are dealing with the cyclical impact of a recession, because we have to deal not only with those who have lost their jobs as a result of the recession and those who are entering the jobs market for the first time, but a huge block of people who have been on benefits for year after year. It makes the challenge that we face—of getting as many of our citizens into work as possible—much bigger than it should have been.

The hon. Lady is right to say that Wirral, and Merseyside as a whole, have suffered from the recession. In Wirral the Swiss food company Givaudan has closed, with the loss of 150 jobs, and jobs have been lost in other parts of Merseyside, leading to real pressures on the community, as in other parts of the country. We have to create an economic environment in which businesses can grow, develop and create sustainable jobs for the future, and I am confident about Merseyside in that respect.

If people spend a lot of time in Liverpool and around Merseyside, they quickly recognise what a wealth of enterprise, ideas and knowledge there is in and around the region that can be harnessed very effectively to create the opportunities of the future. There is a really dynamic spirit coming out of the universities in Liverpool. I have seen some great young businesses in the area, and I am confident that we can create the right environment there—an environment in which we charge less for employers who take on their first few employees; in which we cut the national insurance they pay; in which businesses pay less in corporation tax; in which we seek to reduce the burden of regulation; in which there are fewer health and safety regulations that cost small businesses, and in which we try to simplify the environment for businesses to work in.

In that kind of environment people will say, "Yes, I can do it. I can start a business. I can start to create jobs." That way we can start to deal with the big problem that the hon. Lady rightly pointed out with unemployed young people. Last year there were 5,500 unemployed 16 to 24-year-olds in the Wirral—an unemployment rate that has stayed stubbornly high—but that is not simply down to the current recession. The level of young people not in employment, education or training has remained stubbornly high throughout the past 13 years, and is higher now than it was in 1997. We really have to change that.

The hon. Lady referred to the future jobs fund. Many of the employment programmes we inherited from the previous Government were not effective. I understand the motivation for the future jobs fund, but we found it

[Chris Grayling]

to be a scheme that cost a substantial amount of money and generated temporary jobs in and around the public sector, but did not create the kind of long-term opportunities for young people that would give them skills to last a career. Frankly, we felt that we could do better. However, she is wrong to say that we simply came in and scrapped the future jobs fund. We did not. Future jobs fund jobs are still being created today. However, we have said that we will phase out the scheme and put in place a number of measures next year, including the introduction of our single Work programme, about which I will talk more in a moment.

My hon. Friend the Member for Wirral West is right about the Government's decision to deliver 50,000 extra apprenticeships. An apprenticeship is a much better way of giving somebody long-term skill opportunities than putting them into a temporary placement as the future jobs fund would.

Mrs Mary Glindon (North Tyneside) (Lab): The Secretary of State is talking about apprenticeships, which are fantastic for the young people who have the confidence and ability to engage with them. However, the future jobs fund helped some young people who were nowhere near ready to be apprentices and who needed that extra lift. Without that, a whole layer of young people will be put on the scrap heap. That is the difference. What he is talking about is fantastic, but he has to consider what the future jobs fund did to help young people whose situation did not allow them to take up an apprenticeship—people who were not apprenticeship-ready.

Chris Grayling: Let us be clear: the hon. Lady is absolutely right to say that we are dealing with very real issues for young people, and one certainly finds that in and around Merseyside. I have spent a lot of time with voluntary sector groups working with young people who have some pretty difficult circumstances in their lives. The reality is that many people from those difficult backgrounds emerge from school and struggle to enter the workplace, having not developed skills in school and having fallen behind for a variety of reasons. We have to get to grips with that.

That is one reason why this Administration are pressing ahead with the pupil premium. Hon. Members will know that often young people fall behind during early years development, at the age of one, two and three, and then get to school already behind their peers, never catch up and end up leaving school without basic levels of literacy and numeracy. That is one reason why we are putting the pupil premium into some of our most challenged schools—so that we can try to help some of those young people to catch up.

The hon. Member for North Tyneside (Mrs Glindon) is right to say that we have to do more preparatory work for young people to get into the work place, and that will be one of the key aims of the single Work programme. On the one hand, we are looking to build skills, which the apprenticeships programme is certainly designed to help achieve. However, the Work programme is the most important part of what we are trying to do. It will be introduced next year and will take over from existing programmes, some of which—such as pathways to work, which was highlighted by the Public Accounts Committee this week—have not worked, and others of which, such as the future jobs fund, we judged were not delivering value for money, given the high cost and the nature of the employment provided.

I am keen to see the creation of an environment in which we have specialist organisations working with people of all ages—including young people, who have precisely the kind of challenges to which the hon. Lady referred—by helping them to move into the workplace, build up their confidence, develop an understanding of what they need to get into work, establish work placements for the first time, build up work experience and make the jump into the workplace. That is the nature of the single Work programme.

Alison McGovern: Can the Minister say specifically how that differs from the new deal for young people? It sounds like revisionism to me—as though no good was ever done before—whereas in fact the figures in Wirral show that we have half as many unemployed people now as we did in the previous recession, which is the proper comparison. It would therefore be helpful if the Minister could say how his programme will differ from the excellent new deal.

Chris Grayling: The big problem that we had with the new deals was that they were effectively programmes designed in Whitehall. The standard new deal format was 13 weeks in a classroom, with relatively little financial focus on outcomes or whether people got into work at the end. It was very much about the Government paying for placements. The placements happened, but as for the outcomes of the different new deals—yes, they got some people into work, but the number who stayed in work was disappointingly low. One of the big differences with the Work programme is that it will not simply be about getting people into work, but will be about sustaining them in employment.

In particular, where young people come from the kind of difficult background that the hon. Member for North Tyneside described, the programme will not be about just getting them through the first days of work; it will be about helping them to stay there and overcome some of the hurdles that they face in the workplace, including some of the cultural aspects of working life that they do not expect. Having mentors sitting alongside them in the workplace is an extremely important part of what we are seeking to do.

I am expecting to have specialist providers serving the Wirral and Merseyside whose job it will be to work with unemployed young people, as well as those of other ages, not only helping them to find those first opportunities to gain work experience, develop interview skills and understand how to put together a CV, but going out and working with employers, match-making young people with the opportunities that are out there. As the hon. Lady will know, there are quite a large number of vacancies out there, but often a jobseeker will not know how to go about finding those opportunities. The skills brought by professional providers working with people with the potential to get into work, so that we match them with the right opportunities, are fundamental.

We should set that against our plans for the skills system. We are currently consulting on how the further education and skills system can be developed to respond effectively to the skills gaps that we need to address. We

want to give training providers greater freedom to target provision to meet local needs, alongside giving colleges and other providers greater local autonomy to say, "This is what we need in our area," ensuring greater provision of apprenticeships and putting in place the Work programme, which will be both local and national. The programme will be a national scheme, but the responsibility for delivery in each area will be devolved to a provider in a local community who will be specifically mandated to work with organisations in the voluntary sector and organisations such as Wirral council.

Indeed, I very much want to see local authorities participating locally in the work that is done, working with the providers and sometimes doing the work themselves. What we will end up with is local partnerships collaborating to match individuals with employment opportunities and to overcome the hurdles that often exist between the two. Although we face tough and straitened times—I will be absolutely frank and say that, as an Administration, we will not be able to do all the things that we would like to do—we need to make that investment in skills development and deliver those apprenticeships.

Esther McVey: As my right hon. Friend would like to see that work, let me invite him, as a good friend of Merseyside, to come up to Wirral and see our apprenticeship scheme in action.

Chris Grayling: I would be very happy to do that at some point. I am always happy to revisit Merseyside. There are some great people there, and it is a great community. Liverpool is a magnificent city. I know that my hon. Friend the Member for Wirral West and the hon. Member for Wirral South represent important constituencies that are also nice places to live in and to represent, and I would be delighted to come and see some of the work being done there at some point.

I share the aspiration of the hon. Member for Wirral South to ensure that as many young people as possible can find work, although there will undoubtedly be times when she and her colleagues disagree with me and my colleagues about the means that we are using to try to achieve that. We certainly face tough and challenging times financially, and that will make it more difficult to do all the things that we would like to do. At the end of the day, however, we all share that aspiration. I do not want to see large numbers of people whose lives are wasting away while they are stranded at home on benefits, doing nothing.

We need to make changes to the welfare state to improve the incentives to work. We also need to give people an extra push, particularly when they have been out of the workplace for a long time or have never worked. Such people can build up problems with their confidence, and they are often uncertain about how to get into the workplace and how to go about getting a job. We have to help them to overcome that. We all want the same thing. I want to see as many people as possible of all ages, but particularly young people, in work in thriving businesses in an enterprise culture that we have created, in which businesses are growing and developing, and emerging from our universities, and in which companies are coming into the UK to invest and create jobs. If we can create that dynamic business environment, provide investment in skills and deliver really effective back-to-work support for those who are struggling to get work, we shall be able to achieve the goals that the hon. Lady rightly sets for her constituents and for those of all right hon. and hon. Members across the House.

Question put and agreed to.

10.36 pm

House adjourned.

House of Commons

Wednesday 15 September 2010

The House met at half-past Eleven o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

BUSINESS BEFORE QUESTIONS

BENEVENTAN MISSAL

Resolved,

That an Humble Address be presented to Her Majesty, That she will be graciously pleased to give directions that there be laid before this House a Return of the Report from the Right Honourable Sir David Hirst, Chairman of the Spoliation Advisory Panel, dated 15 September 2010, in respect of a renewed claim by the Metropolitan Chapter of Benevento for the return of the Beneventan Missal now in the possession of the British Library.—*(Angela Watkinson.)*

Oral Answers to Questions

NORTHERN IRELAND

The Secretary of State was asked—

Paramilitary Organisations

1. **Ms Margaret Ritchie** (South Down) (SDLP): What recent assessment he has made of the threat to security from paramilitary organisations in Northern Ireland; and if he will make a statement. [14502]

3. **David Simpson** (Upper Bann) (DUP): What recent assessment he has made of the level of dissident republican activity in Northern Ireland. [14504]

The Secretary of State for Northern Ireland (Mr Owen Paterson): With permission, I would like to make a brief comment about the shadow Secretary of State for Northern Ireland, the right hon. Member for St Helens South and Whiston (Mr Woodward), and his deputy, the shadow Minister of State, the right hon. Member for Wythenshawe and Sale East (Paul Goggins), as this might be their last outing in their current positions. We should put on record our gratitude for the work that they did when in office and for pulling off the great final stage of ensuring that policing and justice were devolved. We all owe them—and everyone in Northern Ireland owes them—a debt.

The threat level in Northern Ireland remains at severe. The security forces continue to bear down on these terrorist groupings. So far this year, there have been 163 arrests and 56 persons charged with terrorist offences. That compares with 106 arrests and 17 charges in the whole of 2009. The numbers involved are small in terms of the overall population, but not insignificant in some areas. Everyone must play their part in demonstrating that these people have nothing to offer but suffering, damage and the diversion of money that would be better spent elsewhere.

Ms Ritchie: I join the Secretary in State in condemning attacks by dissident republicans on police personnel, property and community. I also join him in thanking the shadow Secretary of State and the shadow Minister for their work in Northern Ireland over recent years.

I would like to move on in respect of terrorist violence in Northern Ireland to today's findings of the Independent Monitoring Commission, which state that the Ulster Volunteer Force leadership sanctioned the murder of Bobby Moffett and that it could have stopped it if it had wanted. I am sure that the Secretary of State and all Members would agree that that should be viewed very seriously. Does the right hon. Gentleman agree that it undermines the assurances that we were given about UVF decommissioning? Does he have no concerns that a decision not to re-categorise the UVF ceasefire will send a signal that a planned killing is par for the course and represents an acceptable level of violence? Does he further agree that all this raises the question of when is a ceasefire a ceasefire?

Mr Speaker: Order. In future, questions must be shorter. This really will not do.

Mr Paterson: I am grateful for the hon. Lady's question. This was a disgusting murder, carried out at just after 1 o'clock in the afternoon in front of good, ordinary people going about their daily business, and it should be utterly condemned. The IMC report makes clear how extremely serious the matter is, but it does not recommend that we consider specification. We in Westminster, those in Stormont, the police, those responsible for security in Northern Ireland and, above all, the community have to bear down on this small number of people. I pay tribute to the very large number of people who turned out for the funeral, showing what the local community really thinks.

David Simpson (Upper Bann) (DUP): The Secretary of State will be aware of a recent attack by dissident republicans in my constituency, in which two young children almost lost their lives. My understanding is that six or seven people were arrested by the Police Service of Northern Ireland, but all were released. Does the right hon. Gentleman understand the frustration of my constituents at the fact that no one has been charged for that and other offences, or is it the case that the PSNI no longer has the experienced detectives that it needs?

Mr Paterson: I am very sympathetic to the problems that the hon. Gentleman has in his constituency. This small number of people are wholly unrepresentative of the community. What they are doing is utterly irresponsible and risks serious damage to lives—it has to be utterly condemned. We have to respect the operational independence of the police. As I cited earlier, arrests are up and charges are up this year. We have had 56 charges as against 17 last year, but it is not for me to interfere with the processes of the police or of justice. The hon. Gentleman has good contacts with the local Minister and this is a devolved matter. If the local judicial system can be accelerated, that is now in local hands; we should not tamper with the independence of either the police or the judiciary.

Mr Laurence Robertson (Tewkesbury) (Con): I also pay tribute to the work of the shadow Secretary of State when he was in office, and I particularly thank the shadow Minister of State for the very courteous way in which he treated me while I shadowed him for a number of years.

Given the pressures of historical inquiries and the inevitable budgetary pressures that all public sector workers and departments are facing, is the right hon. Gentleman satisfied that the PSNI has adequate resources to counter the threats we face—not only from dissident republicans, but from any terrorists in Northern Ireland?

Mr Paterson: I am grateful for the comments of the Chairman of the Select Committee. We will stand by Northern Ireland, and we will do what is right. As for police numbers, we know that there could always be more—there is not a chief constable in the United Kingdom who would not like more—but I am in regular contact with the local Justice Minister, the Chief Constable and those who are bearing down on dissidents, and we will ensure that we do the right thing by Northern Ireland.

Ian Paisley (North Antrim) (DUP): I echo the words of thanks to the former Secretary of State and his former security Minister. We had several bruising encounters—some good and others not so good, but very enjoyable none the less.

Let me turn to the dissident threat. Will the Secretary of State give us a progress report on the automatic number plate recognition system that his security Minister announced in the House not long ago? Has it been introduced, and what progress is being made in countering and surveillance activities relating to dissident republicans?

Mr Paterson: At the previous Question Time, we announced that we had approved the final tranche—the £12.9 million that was required for the new technology, which I expect to have a real impact in bearing down on the small number of dangerous people. Its implementation is in the hands of the local Minister and the Chief Constable. I shall meet them in the forthcoming days and ask how they are progressing, but at the time of my last meeting with them, they were well on the way to introducing the technology.

Paul Goggins (Wythenshawe and Sale East) (Lab): I am grateful to the Secretary of State and, indeed, other Members who have made generous remarks this morning. I wish the Secretary of State and his deputy every success in their responsibilities.

Dealing with threats to security in Northern Ireland requires full public confidence in a police service that is representative of the community it serves. Although policing has now been devolved, the legal framework for ensuring that 30% of officers in the Police Service of Northern Ireland come from the Catholic community remains the Secretary of State's responsibility. Will he take this opportunity to confirm his commitment to achieving that target as soon as possible?

Mr Paterson: As the shadow Minister knows, the Patten commitment was to achieve a figure of 29% to 33% by this year. The current figure is 29.33%, so we have achieved the Patten threshold. The renewal of the measure was due to last one more year, and we agreed to that when we were in opposition. What we do next is up to us to discuss with the local Minister responsible and with those who now run the police service, but I hope that we have established enough momentum to ensure that people throughout the community will see joining the PSNI as a worthwhile career, and will be attracted to it.

Economic Affairs

2. **Christopher Pincher** (Tamworth) (Con): What recent discussions he has had with Ministers in the Northern Ireland Executive on the effects of the recession on the Northern Ireland economy. [14503]

The Minister of State, Northern Ireland Office (Mr Hugo Swire): With your indulgence, Mr Speaker, I wish to add my thanks to the shadow Secretary of State and the shadow Minister for the assistance that they have given since we took office.

In Belfast last month, my right hon. Friend the Secretary of State and I met my hon. Friend the Exchequer Secretary and the Northern Ireland Ministers for Finance and Personnel and for Enterprise, Trade and Investment. We regularly meet Northern Ireland ministerial colleagues to discuss economic matters and how we can best work in partnership to stimulate economic growth and encourage inward investment in Northern Ireland.

Christopher Pincher: The economy in Northern Ireland remains delicate. Unemployment rose between March and May. Will my hon. Friend do all that he can to ensure that politicians and parties across the spectrum in Northern Ireland do not play politics when making economic decisions?

Mr Swire: My hon. Friend will not be surprised to hear that I entirely agree with those sentiments. I am pleased to say that these are matters for the Executive. However, I understand that, in his capacity as Minister for Finance and Personnel, the hon. Member for East Antrim (Sammy Wilson), who is present—at least, he certainly was earlier—will meet my right hon. Friends the Secretary of State and the Chief Secretary to the Treasury later today, along with representatives of the devolved Administrations in Scotland and Wales, to discuss financial matters, including the forthcoming spending review.

It is, perhaps, worth my adding that I echo the views of the hon. Member for East Antrim, who has said:

"In some quarters, there appears to be an unwillingness to address the serious financial questions that are being posed. Let us be clear: we cannot dodge difficult decisions in formulating a new Budget. Delaying the Budget process until next spring is not an option."

That is the way in which to proceed.

Mr David Hanson (Delyn) (Lab): What assessment has the Minister made of the impact of deep public spending cuts in the Northern Ireland Executive budget, not only for the public sector but for the private sector, which depends on many of the contracts that are let? What assessment has he made of the impact of the VAT rise on the ability of the Northern Ireland economy to escape from the recession?

Mr Swire: The right hon. Gentleman does not, of course, draw attention to his Government's own cuts of £44 million, and he—and the House—would do well to remember that we are in the current economic situation as a result of the legacy of the previous Administration. There are a number of positive things to say about Northern Ireland, however: there is the increase in the enterprise finance guarantee scheme, and the waiving of national insurance contributions on the first 10 jobs created by a new business in year one will benefit more than 15,000 businesses in Northern Ireland, while reversing the most damaging part of the planned increase in employer national insurance contributions will add a saving of about £80 million in Northern Ireland. The situation is very serious, but it was more serious before the coalition Government put these measures in place. It is not going to be easy, but Northern Ireland must play its part, along with the rest of the United Kingdom, in confronting the deficit and getting the economy going once more, which must be the aspiration of every Member.

Mr Nigel Dodds (Belfast North) (DUP): What meetings has the Minister or his right hon. Friend the Secretary of State had with Treasury Ministers—and what representations have they received from them—on public expenditure in Northern Ireland generally, and specifically on the level of block grant to Northern Ireland after the spending review?

Mr Swire: I repeat to the right hon. Gentleman that there will be a meeting this afternoon attended by his party colleague, the hon. Member for East Antrim (Sammy Wilson), the Chief Secretary to the Treasury, my right hon. Friend the Secretary of State for Northern Ireland and representatives of the other Administrations in Scotland and Wales, at which, no doubt, these matters will be discussed in the proper manner.

Mr Dodds: I asked the Minister what meetings he or his right hon. Friend the Secretary of State had had with Treasury Ministers, not what meetings there had been between Executive Ministers and the Treasury. However, does he accept that the circumstances in Northern Ireland are unique? It is the only country or region in the United Kingdom that is suffering from the dissident terrorist threat—a subject that has already been discussed—and that shares a land frontier with another country, and it is also the only area in the United Kingdom that is coming out of 40 years of violence and terrorism, which has greatly truncated the ability of the private sector to compete. It is also the only area that has already had 3% year-on-year efficiency savings implemented by the Executive. Will the Minister ensure that the fabric of society and vital services in Northern Ireland are protected by making sure that everything is done to protect the level of the block grant after the spending review?

Mr Swire: Let me put the right hon. Gentleman straight: my right hon. Friend the Secretary of State and I meet Treasury Ministers regularly and have done of late, not least to discuss the issue that confronts us all to do with the Presbyterian Mutual Society, and we will continue to do so. The right hon. Gentleman makes a very good point, however, in that this issue brings to the fore once more the fact that it is completely unacceptable and unsustainable in the longer term for Northern Ireland's economy to be so dependent on the state sector—the relevant figures are about 70% as opposed to 30% for the private sector. We have to address that, such as by looking at other ways to kick-start the private sector, not least through corporation tax measures. We have to look at enterprise zones, too. All those things we are doing—

Mr Speaker: Order. We also have to move on.

Corporation Tax

4. **Andrew Stephenson** (Pendle) (Con): What progress he has made in discussions with the Northern Ireland Executive and the Chancellor of the Exchequer on changes to corporation tax in Northern Ireland. [14505]

The Secretary of State for Northern Ireland (Mr Owen Paterson): My hon. Friend the Minister of State, the Exchequer Secretary and I met Executive Ministers last month to discuss corporation tax and how the Northern Ireland economy could be rebalanced. We are working closely with them in the preparation of a Treasury paper and shall consult on this later in the year.

Andrew Stephenson: I thank my right hon. Friend the Secretary of State for that answer. Does he agree that the problem with the Northern Irish economy is that the private sector is too small, and that reducing corporation tax rates will help boost the private sector and rebalance the economy?

Mr Paterson: I entirely agree with my hon. Friend. Let me give one figure: 77.6% of Northern Ireland's GDP is dependent on public spending. That is clearly wholly unsustainable, and our proposal is to rebalance the Northern Ireland economy—which I estimate will take at least 25 years—by a number of measures that could include the devolution of corporation tax rates, thereby allowing the local Executive to reduce them.

Mark Durkan (Foyle) (SDLP): In the Secretary of State's consideration and representations on these matters, will he take particular account of the circumstances of border areas? Is he prepared to receive proposals on cross-border economic zones and their tax treatment, not least in the north-west, so that we can win investment and employment on the back of the cross-border Project Kelvin?

Mr Paterson: I am open to any ideas that will help to revive the private sector in Northern Ireland, which we all agree is too small. If the hon. Gentleman would like to make suggestions, my door will always be open. However, he should remember that a lot of this is devolved, with the decisions in the hands of his colleagues in the Assembly, and that this is a team game.

Mr Shaun Woodward (St Helens South and Whiston) (Lab): I thank the right hon. Gentleman and the Minister for their kind words. It has been a huge privilege for my right hon. Friend the Member for Wythenshawe and Sale East (Paul Goggins) and I to serve the people of Northern Ireland. Whatever my future, which is in the

hands of my hon. Friends, the right hon. Gentleman can be sure that we will continue our bipartisan support for his policy.

During the general election, the right hon. Member for Witney (Mr Cameron) talked about targeting Northern Ireland and the north-east of England for special cuts in Government spending. The Secretary of State tried to blunt that with the prospect of cutting corporation tax, but he will know from the Azores ruling that it is legal only if Northern Ireland bears fiscal consequences. What is his estimate of the annual additional cut the Treasury would have to take from the annual block grant to fund a cut in corporation tax to 12.5%?

Mr Paterson: I am grateful for the right hon. Gentleman's comments, but I would just like to correct an inadvertent comment on my colleague the Prime Minister, who did not target Northern Ireland; he just said, correctly, that it is one of those parts of the United Kingdom that is over-dependent on the public sector. On the question of the corporation tax sums, I say, bluntly, that nobody knows. That is why I am working closely with my Treasury colleagues—in particular, the Exchequer Secretary—to work out exactly the cost. Some international accountancy firms have estimated that, according to the Azores ruling, about £100 million to £150 million would have to be taken off the block grant.

Mr Woodward: The right hon. Gentleman will know that Northern Ireland is over-dependent for a very good reason: because of the troubles. The answer to the question is contained in the report produced by Sir David Varney for the Treasury, and it is that £300 million would be taken out of the block grant. I simply say to the right hon. Gentleman that the net cost to the Exchequer for 10 years would be estimated at £2.2 billion. He is a very good sort of fellow, so why does he not level with the people of Northern Ireland? Just as his party's electoral pact with the Ulster Unionists left them with nothing, just as his party's talks on the Presbyterian Mutual Society look like leaving small investors with nothing, the promises on corporation tax will result in at best nothing and at worst an invitation to his right hon. Friend the Chancellor to wield the axe.

Mr Speaker: Order. I ask for brevity, please, from Front Benchers; other Members want to get in.

Mr Paterson: I am sorry that the tone has descended. All my colleagues in Front-Bench positions inherited the odd prawn behind the radiator. We inherited Northern Ireland and a whole bag full of old langoustines stuck under a radiator going at top speed. We face a long-term problem with the economy. The Varney report is, sadly, now out of date. It cited a figure of more than £300 million, whereas the independent Northern Ireland Economic Reform Group, which carried out a detailed study of the benefits that a reduction of corporation tax would bring, gave a lower figure. The fact is that we do not know yet, and we will be studying this in detail and introducing our proposals later in the autumn.

Mr Speaker: These answers are lasting quite a long time.

Saville Inquiry

6. **Luciana Berger** (Liverpool, Wavertree) (Lab/Co-op): What recent representations he has received on the report of the Saville inquiry. [14507]

The Secretary of State for Northern Ireland (Mr Owen Paterson): The reaction to the report of the Saville inquiry and to the Prime Minister's statement to this House on 15 June has been overwhelmingly positive. Since publication, I have also met the families of those killed. I have received no formal representations in relation to the inquiry's report, other than routine correspondence.

Luciana Berger: Yesterday, the Secretary of State once again informed the House that he will be meeting the families who lost their loved ones in Ballymurphy in August 1971. Will he assure the House that the issues that cannot be explored by the Historical Enquiries Team will be resolved by a process that is satisfactory to the families?

Mr Paterson: I thank the hon. Lady for her question. I think that she should understand the sensitivities of these historical cases. Where I have given a commitment—I have a meeting planned with the families—it is appropriate that I talk to the families before I comment further.

Mr Gregory Campbell (East Londonderry) (DUP): Whatever mechanism we adopt to deal with the past, if we adopt any at all, surely it must be consistent. Does the Secretary of State agree that, whereas the Saville report dealt purely with the activities of the troops, soldiers and other activists on the day, the Billy Wright inquiry, which the media attended, seemed to deal with issues before and after the events of the day? We need a consistent approach to try to bring some closure.

Mr Paterson: The hon. Gentleman is absolutely right, and that is why we have launched a process of talking to local politicians and local groups to work out a way forward on how we handle the past. It was clear from the submissions to Eames-Bradley that there is absolutely no consensus, but the hon. Gentleman is right that we must have a process that is consistent. We will be working on that over the coming months.

Pat Finucane

7. **Barry Gardiner** (Brent North) (Lab): Whether he has met the family of Pat Finucane to offer an inquiry into his death; and if he will make a statement. [14508]

The Secretary of State for Northern Ireland (Mr Owen Paterson): I met the family of Pat Finucane while in opposition. On becoming Secretary of State, I wrote to the family and invited them to meet me.

Barry Gardiner: Will the Secretary of State elucidate the questions that were put to him by the family at that meeting?

Mr Paterson: The meeting that I had with them in opposition was some time ago. I have a meeting planned shortly and I think that it is appropriate, as I have said on several occasions, that I talk to the families before

pronouncing further. The hon. Gentleman knows from his time as a Minister in Northern Ireland how sensitive and difficult this issue is, which is why it was not resolved by his Government.

Dr William McCrea (South Antrim) (DUP): Surely the Secretary of State will realise that, rather than individual inquiries, it would be better to put the resources into the Historical Enquiries Team so as to allow a swathe of the people who have been injured and who suffered through the tragedies of Northern Ireland's years of terrorism to find answers to their questions.

Mr Paterson: The hon. Gentleman is absolutely right. The Historical Enquiries team is looking at 3,268 deaths on a budget that was originally set at £34 million over six years. We must contrast that with the Billy Wright inquiry on which I reported yesterday, which cost £30 million and looked into one death.

Cross-border Economic Co-operation

8. **Nicky Morgan** (Loughborough) (Con): What recent discussions he has had with the Irish Government on cross-border economic co-operation. [14509]

The Minister of State, Northern Ireland Office (Mr Hugo Swire): My right hon. Friend the Secretary of State held discussions on economic matters, which are largely devolved to Northern Ireland, with Irish Government Ministers when he was recently in Dublin. The trade and business development body, which aims to enhance the economy on both sides of the border, is a forum operating under the North/South Ministerial Council that also allows Northern Ireland and Irish Ministers to discuss those matters.

Nicky Morgan: I thank the Minister for his reply. Have he and his team considered what lessons can be learned from the economic successes of the Republic of Ireland in the 1980s and 1990s that could now be applied to the economy of Northern Ireland?

Mr Swire: Yes, we certainly continue to study that. It is worth pointing out that despite the economic slowdown experienced in recent years the Republic of Ireland continues to attract major foreign direct investment. Indeed, the Republic of Ireland's stock of direct inward investment is five times greater than the OECD average. According to one leading accountancy firm, there have been well over 50 investment projects this year alone. It is significant, we believe, when spending is being cut and many taxes are going up, that the one set of taxes that are not being touched in the Republic is the low rates of corporation taxes.

Dr Alasdair McDonnell (Belfast South) (SDLP): I thank the Minister for his answer. Does he accept and agree with me that cross-border co-operation is vital for economic recovery in border areas of Northern Ireland? Does he agree that because of the banking crisis there are major cross-border interests that we need to deal with at a British-Irish level?

Mr Swire: I most certainly do, bearing in mind that a lot of these decisions are up to the Assembly and the Executive. The hon. Gentleman will no doubt welcome, along with us, the forthcoming investment conference in Washington under the patronage of Secretary of State Clinton, as well as the advance trip to Northern Ireland by her husband, former President Clinton, at which representatives from Northern Ireland and the Republic of Ireland will be present hoping to attract inward investment, which will benefit the very cross-border communities to whom the hon. Gentleman has alluded.

PRIME MINISTER

The Prime Minister was asked—

Engagements

Q1. [15257] **Julian Smith** (Skipton and Ripon) (Con): If he will list his official engagements for Wednesday 15 September.

The Prime Minister (Mr David Cameron): I am sure that the House will wish to join me in paying tribute to Kingsman Darren Deady from 2nd Battalion the Duke of Lancaster's Regiment who died on Friday after being injured in Helmand province on 23 August. We are for ever indebted to him for the sacrifice that he has made. We send our sincere condolences to his family, friends and comrades who all miss him very much. He will not be forgotten.

This morning, I had meetings with ministerial colleagues and others. In addition to my duties in the House, I shall have further such meetings later today.

Julian Smith: May I add my sympathies to those of the Prime Minister?

At a time when we need to maximise growth and restore our public finances, is it not the height of irresponsibility that the unions are planning to go on strike, and should not former Ministers be ashamed of themselves for encouraging it?

The Prime Minister: My hon. Friend makes a very good point. Everyone in the country—the trade unions included—knows that we have to cut public spending, that we have to get the deficit down and that we have to keep interest rates down. It is the height of irresponsibility for shadow Ministers to troop off to the TUC and tell it that it is all right to go on strike. They should be ashamed of themselves.

Ms Harriet Harman (Camberwell and Peckham) (Lab): May I join the Prime Minister in paying tribute to Kingsman Darren Deady from 2nd Battalion the Duke of Lancaster's Regiment? We honour his bravery and we think of his family and friends as they mourn their loss. May I give my condolences to the Prime Minister and his family on the loss of his father? The words he used to express his love for his father touched everyone. Today, as we welcome the Prime Minister back to his place, I also congratulate him and Mrs Cameron on the birth of their new baby.

Let me ask about an issue that is of great concern on both sides of the House—the trafficking of women and girls for sex. This week, a gang was convicted here in London of bringing girls as young as 13 to this country to be sold for sex. The work of the police and prosecutors has protected young women from that gang, but this evil trade is growing. All parties in the House are united in their abhorrence of it. Will the Prime Minister update us on the work that is being undertaken to stop it?

The Prime Minister: I thank the right hon. and learned Lady not only for what she said about the serviceman whom we lost in Afghanistan but for her very kind words about my father and our new daughter. I am very grateful for what was said last week by the shadow Lord Chancellor and for the letters that I have received from Members right across the House. It is very touching and heart-warming that people think about one at times like these, so I thank them for that.

Let me take this opportunity to say something about the right hon. and learned Lady, as I think this will be the last time that we face each other across the Dispatch Box. She is the third Labour leader with whom I have had to do battle—she is by far the most popular—and she has used these opportunities to push issues that she cares about deeply such as the one she raises today. She has been a thorough credit as the stand-in leader of the Labour party and I thank her for what she has done.

The issue of the trafficking of women and girls is an extremely important, sensitive and difficult one. I have been to see some of the exhibitions that have been run, including the one by Emma Thompson, about how bad the problem is. We are committed to working across the Government to do everything we can to help the police, to help at our borders and to make sure that we have in place all the laws and systems to bring this evil trade to an end. It is something that, tragically, has grown over recent years. We often talk about how we have ended slavery in our world, but we have not; it is still with us and this is the worst manifestation of it.

Ms Harman: I thank the Prime Minister for his complimentary words—it is just as well that I am not wearing a hoodie.

I welcome what the right hon. Gentleman says about human trafficking, and I am grateful to him and the Deputy Prime Minister for working with us on it when they were in opposition. Will the Prime Minister help to build on that work by agreeing that the United Kingdom will opt in to the new European directive on trafficking in human beings, which the Commission proposed in March?

The Prime Minister: I thank the right hon. and learned Lady for raising that point. We are looking carefully at the issue. From looking at the directive so far, we have discovered that it does not go any further than the law that we have already passed. We have put everything that is in the directive in place. I am happy to go away and look again but, of course, as we do when thinking about all the things that we have to consider opting in to, we have to ask ourselves not only what is in this directive and whether we are already doing it—the answer in this case is yes—but what might be the consequences for our security and borders, and our ability to take decisions in the House. That is the consideration that we have to make, and I give absolutely no apology for saying that this Government will look at these things very carefully before signing them.

Ms Harman: But the difficulty is that the Government have already indicated that they will opt out of the directive. If we are already complying with it in this country's laws and practices, as well as working internationally, we should be proud of that and step forward to sign the directive. Will the Prime Minister reconsider?

The Prime Minister: I have already answered that, but let me make some additional points: first, the directive itself is still being finalised; and, secondly, there are opportunities at any stage to opt in to something of which we approve. However, the key point is that we must examine the directive and then ask whether opting in would add anything to what we already do in this vital area—[Hon. Members: "Yes."] Hon. Members say yes, but the fact is that we do all the things that are in the directive today, so we then have to ask whether opting in would in any way endanger our borders and immigration system. That is a question that a responsible Government ought to ask, and it is a question that this Government will ask.

Ms Harman: The right hon. Gentleman is hanging back on this—he should step forward and sign the directive. The point is that trafficking is an international crime. The traffickers work across borders, so we have to work across borders to stop them. Will he reconsider and opt into the directive?

The Prime Minister: I have answered the question. The fact is that we have to work internationally. We are working internationally as well as making sure that we have what we need at our borders and in our police service here in the UK. We are also looking at something that the previous Government did not put in place: a proper border police force, which would make a real difference to securing our borders. However, as I said, when looking at such directives, it is right to ask not just whether we are already doing the things that are in them, but what might be the other consequences of signing up. That is a sensible thing to do; the previous Government signed far too many things without ever thinking about what the consequences would be.

Ms Harman: I am disappointed by the Prime Minister's answer. I know that some in his party are irrationally hostile to Europe, but he should not let them stand in the way of stopping human trafficking.

I have one last question before I go. When the Conservatives were in opposition, they regularly complained that we had Prime Minister's questions only once a week. Now that the right hon. Gentleman knows just how enjoyable the experience is, does he plan to bring it back to twice a week?

The Prime Minister: It is one of the few things that Tony Blair did of which I thoroughly approve. Quite seriously, having worked for Leaders of the Opposition and Prime Ministers who did Prime Minister's questions, I think that a half-hour session once a week is good not only so that Parliament can grill the Prime Minister, but so that the Prime Minister can grill everyone in his or her office to find out everything that is going on in government. That is the right way to do these things.

I know that we are not saying goodbye to the right hon. and learned Lady—it is only au revoir—and that she will be the deputy leader under whichever leader the Labour party elects. I note that she can spend some time over the coming days contemplating what to do with the four votes that I think she has in the election, because she is of course a member of a trade union, a Member of Parliament, a member of the Labour party and a member of the Fabian Society. Her position can be combined with her husband's, whom I believe has another three votes—democracy is a beautiful thing!

Mr Julian Brazier (Canterbury) (Con): Does my right hon. Friend agree that one of the saddest legacies the Government inherited is the fact that one child in five grows up in a household in which nobody is in work? Does he agree that it is not just an economic but a moral imperative that we should, to coin a phrase, move from a handout to a hand up?

The Prime Minister: My hon. Friend is entirely right. If we want to tackle poverty, we must go to the causes of poverty. The chief cause of poverty is people being out of work generation after generation and, as he says, young people growing up in homes where nobody works, where there is no role model to follow. That is why we are pursuing the welfare reform agenda so vigorously, because we want to help people to get out of unemployment and into work. We want it to be worth while for everybody to work or to work more than they do now. That is what our welfare reforms, so scandalously neglected by the previous Government, have set out to achieve.

Q2. [15258] **Derek Twigg** (Halton) (Lab): The proposed £400 million Mersey Gateway project, which will create up to 4,000 new jobs in the area, is under threat because of the spending review, despite the fact that it is strongly supported by business and by all local authorities across Cheshire and Merseyside, including the Chancellor's local authority. How will cutting projects such as the Mersey Gateway help economic growth in the north-west?

The Prime Minister: We are not making any further cuts in capital spending. The hon. Gentleman ought to ask the question of those on his own Front Bench. The Labour party went into the last election with a 50% cut in capital spending in its figures, and did not tell us one single project that would be cut. We have said that that is far enough; we should go no further. We will be protecting capital spending to help to boost the recovery in our country.

Q3. [15259] **Mr Peter Bone** (Wellingborough) (Con): My right hon. Friend the Prime Minister, in his excellent speech on parliamentary reform, promised far more free votes in the Committee stage of major Bills. Can he confirm that this bold and courageous policy will apply to the Parliamentary Voting System and Constituencies Bill?

The Prime Minister: We have already taken some big steps to pass power from the Executive to Parliament—*[Interruption.]* Someone shouts "Rubbish." We established the Backbench Business Committee. The Opposition had 13 years; they never did that. We gave the House of Commons control over electing Select Committee Chairmen. The Opposition had 13 years to do that. It never happened. We will be giving Select Committees further powers over selecting and looking at appointments in the public sector, and I am the first Prime Minister in British history to give up the right to call a general election. As for major parts of legislation set out in our coalition agreement, I regret to inform my hon. Friend that I will be hoping for all my colleagues to support them with head, heart and soul, if I may put it that way, but should there be greater opportunities for free votes, yes, there should be. I remember the previous Government, even on topics such as embryo research and experimentation, whipping their Members, particularly in the House of Lords. That was quite wrong and it will not happen under this Government.

Q4. [15260] **Tom Greatrex** (Rutherglen and Hamilton West) (Lab/Co-op): Given the strategic defence importance of the aircraft carriers, on which work has already started, will the Prime Minister undertake to meet urgently with me, other parliamentary colleagues and workplace representatives so that they can put to him their concerns about reports that the aircraft carriers will be cancelled, before it is too late?

The Prime Minister: I am sure my right hon. Friend the Defence Secretary and his Ministers are happy to meet anyone who wants to discuss the state of the defence budget and the appalling legacy that we have been left. Of all the budgets that I have looked at, that is the one where we were left the biggest mess—£38 billion over-committed, and decisions taken that made very little sense at all. But the hon. Gentleman will be seeing a strategic defence review in which we properly review how we can make sure that we have forces that are right for our country, right for our interests and ensure that we protect our interests around the world.—*[Interruption.]*

Claire Perry (Devizes) (Con): I am afraid I have no props.—*[Laughter.]*

With only five years to go to achieve the millennium development goals, which are still way off track, what will the Prime Minister do to ensure that those critical promises are kept?

The Prime Minister: My apologies for missing the joke. Next time I will look more carefully. I did not know that we were allowed props, Mr Speaker, but obviously you take a more relaxed view of these things.

My hon. Friend raises a very important point and the conference—*[Interruption.]*

Mr Speaker: Order. I may take a relaxed view about some things, but not about excessive noise. The Prime Minister must be heard.

The Prime Minister: My hon. Friend raises a very important point about the millennium development goals, set in 2000 and meant to be completed by 2015, and there is a vital conference, which the Deputy Prime Minister will be attending next week, on that specific issue. This country—this applies to parties on both sides—can hold its head up high, given that we are going to hit the 0.7% target of gross national income going to aid. That means that we will be playing our part in making sure that those vital MDGs are met. It is important, although spending decisions are going to be difficult, that we hold our head up high not only overseas but at home and say, "This is right, to help the poorest in our world, even when we have difficult budget decisions at home."

Q5. [15261] **Julie Hilling** (Bolton West) (Lab): May I join the Prime Minister in sending my condolences to the family of Kingsman Darren Deady, who was a constituent of mine and sadly lost his life last Friday, having been injured in Afghanistan three weeks ago? His senior officer said that Kingsman Deady

"was a superb soldier – trusted, respected and an example to others."

He will be sadly missed.

Bolton Community and Voluntary Services has already lost £89,000 of grants this year for small voluntary groups—groups often working with the most vulnerable.

Many organisations are on the brink of closure because of those cuts. If the Prime Minister believes in the big society, what will he do to save those groups?

The Prime Minister: What I would say to the hon. Lady's local council is what I would say to every council in the country, which is that we all know—and Opposition Members know—that we have to make spending reductions. The Opposition were committed to £44 billion of spending reductions at the last election, and we should say to every single council in the country, "When it comes to looking at and trimming your budgets, don't do the easy thing, which is to cut money to the voluntary bodies and organisations working in our communities. Look at your core costs. Look at how you can do more for less. Look at the value for money you get from working with the voluntary sector." The hon. Lady should take that message to her local authority. That is the message that I would take to her local authority, and everyone should try to work in that direction.

Q6. [15262] **Priti Patel** (Witham) (Con): Has the Prime Minister received any representations from Fidel Castro on deficit reduction? Is there any possibility of arranging a trade union conference pass for Mr Castro so that he might be able to enlighten the trade unions on cutting the size of the state?

The Prime Minister: My hon. Friend makes a very good point. This week it was revealed that even Communist Cuba has got with the programme that we need to cut budget deficits and get spending under control. So we have Comrade Castro on the same planet as the rest of us; we just have to get the Labour party and the trade unions on that planet at the same time.

Q7. [15263] **Valerie Vaz** (Walsall South) (Lab): Burma and Iran were signatories to the universal declaration on human rights, but there are some men and women who cannot exercise those rights. In particular, Sakineh Ashtiani awaits death by stoning, and Aung San Suu Kyi has been imprisoned because she won an election. Will the Prime Minister make urgent and renewed representations to the Governments of Burma and Iran in order to free those brave and courageous women?

The Prime Minister: The hon. Lady is absolutely right to raise that issue, and I shall do precisely as she says and continue to make those representations. It is important that we make them not just to those Governments, but to Governments who sometimes take a slightly different view. When I was in India I raised the issue of Burma with the Indian Government, because I think it is important that we talk to the neighbouring states of those countries and make sure that they are campaigning in the same way.

The human rights record in Iran is absolutely appalling. The person to whom the hon. Lady refers is being treated in a completely inhuman and despicable fashion, and we should be absolutely clear that the situation in Burma is an affront to humanity. Aung San Suu Kyi's continued detention is an outrage. She has spent 14 of the past 20 years under house arrest, and her example is deeply inspiring. All of us like to think that we give up something for democracy and politics; we do not. Compared with those people, we do nothing. They are an inspiration right across the world, and we should stand with them.

Martin Horwood (Cheltenham) (LD): Like the last Government, we have promised to act on the litter that defaces our towns and countryside. Unlike the last Government, will we take some real practical action, such as starting a bottle deposit and refund scheme, which a Campaign to Protect Rural England report launched today shows will protect the environment and save local authorities millions of pounds?

The Prime Minister: My hon. Friend makes a very interesting suggestion. Bill Bryson has made this suggestion to me as well because of the success that schemes like this have had in other countries. I will certainly ask his right hon. Friend the Energy and Climate Change Secretary to look at this issue and see if we can take it forward.

Q8. [15264] **Angela Smith** (Penistone and Stocksbridge) (Lab): Back in June, Andrew Cook boasted that he was the largest donor to the Conservative party in Yorkshire, yet it turns out that his registered main residence is on the island of Guernsey. Can the Prime Minister assure the House that when he accepted free plane flights from Andrew Cook, he did so having satisfied himself that such a donation was both legally and morally acceptable?

The Prime Minister: Obviously it is up to every party leader to make sure that when they accept a donation they make proper checks and do so in the proper way. All the donations that the Conservative party has received are properly set out with the Electoral Commission and other bodies, and we do everything we can to make sure they are accurate; I hope that the Labour party does the same thing.

Q9. [15265] **Mark Lancaster** (Milton Keynes North) (Con): Two weeks ago, Bola Ejifunmilayo and her three year old daughter Fiyin burned to death in an unregistered house in multiple occupancy. Often poorly converted, with enormous fire risks, the majority of HMOs in Milton Keynes and elsewhere remain unregistered. What more can the Government do to end this plight and hopefully prevent another tragedy?

The Prime Minister: My hon. Friend makes an important point about an absolutely tragic case. As he knows, local authorities are responsible for licensing houses in multiple occupation, and they have the power to prosecute landlords who fail to apply for a licence—and they should do so. There have been too many cases like this. The law is there; it should be used. Our whole approach is to give local authorities the power they need, and the discretion they need, to take action for the good of their communities; that is the change we want to bring.

Q10. [15266] **Rosie Cooper** (West Lancashire) (Lab): Building work is already under way on a new campus for Skelmersdale and Ormskirk college in my constituency, so it was a real shock to find that £4 million committed to the project will now not be available because of the Government's decision to stop the budgets of the regional development agency with immediate effect. Will the Prime Minister please meet me and those at the college to try to find a way through? The building is already going up, and this would be a real embodiment of a hand up to the young people of Skelmersdale and the start of the regeneration of Skelmersdale.

The Prime Minister: The hon. Lady is absolutely right to raise this specific case, and I will go away and look at it. In the Budget, while we did make difficult decisions, and some spending reductions were made, we actually put some money back into college building projects because so many schemes had suffered from the overspending and lack of control over the past couple of years. I will certainly look at her case and see whether a Minister can meet her to see what progress can be made.

Brandon Lewis (Great Yarmouth) (Con): In Great Yarmouth, one of our Labour legacies is that we still have one of the more deprived wards in the country. Will the Prime Minister outline the plans he has to deal with one of the legacies he has inherited, which is the shocking breach in the achievement levels of deprived schoolchildren?

The Prime Minister: There are many things we need to do to tackle deprivation. We have spoken today about the importance of tackling long-term unemployment and joblessness that goes back through generations. Clearly, one of the other things is making sure that children from less well-off backgrounds are getting access to the best schools available. My right hon. Friend the Education Secretary has announced this week how we are going to try to help children on free school meals to get access to the very best schools in our country, and we want to expand the number of good schools by allowing academies and free schools to go forward. I hope that Labour Members will back those plans. The problem we have is that there are not enough good school places. It does not matter how many different schemes are devised for lotteries or anything else for getting kids into good schools, we need more good school places, not least in Great Yarmouth.

Q11. [15267] **Vernon Coaker** (Gedling) (Lab): Talking of schools, on 2 September the Department for Education sneaked out the equalities impact assessment associated with the Building Schools for the Future decision. That assessment showed that the scrapping of that policy had a disproportionate impact on poorer children in our society. Can the Prime Minister explain what is progressive about that?

The Prime Minister: One person's announcement is another person's sneaking out; I do not quite understand that. Let me tell the person who was largely responsible for designing Building Schools for the Future what a completely shambolic and disastrous programme it was. It took three years and £250 million before a single brick was laid; well, maybe we should assess that. The other thing that we could perhaps assess—it is worth reminding people of this—is the bureaucracy of Building Schools for the Future. There were nine meta-stages to putting in a bid. Each of the nine stages had further sub-stages. This is what a local authority had to do—*[Interruption.]* Well, the hon. Gentleman was responsible for the programme; I am sure this will be a trip down memory lane for him. *[Interruption.]*

Mr Speaker: Order. The Prime Minister will be heard.

The Prime Minister: Thank you very much.

Local authorities that wanted to get involved needed a partnership for schools director, a director of education project adviser, a 4Ps adviser, an enabler from the Commission for Architecture and the Built Environment—*[Interruption.]* I am sorry the list is so long, but it goes on and on. [Hon. Members: "Answer the question!"] The answer is that it was a disastrous programme, completely overspent and totally out of control. The last Government had announced 50% cuts and had not told us where a penny was coming from, and the hon. Gentleman is largely responsible for it.

Stephen Lloyd (Eastbourne) (LD): Could the Prime Minister confirm that the Minister for Immigration will in the next few days come up with a solution for the English language schools in the UK, so that the good schools can move forward productively while bogus colleges and bogus students are dealt with?

The Prime Minister: I know that my hon. Friend the Minister for Immigration is working extremely hard on that issue. We all want the same thing, which is to ensure that Britain benefits as a provider of great education courses, universities and colleges that can attract talented people from around the world. But at the same time, we all know that there have been too many bogus colleges and too many bogus students coming here not really to study but to work or for other reasons, and we have to crack down on that. That is what my hon. Friend the Immigration Minister is trying to do, and I am sure he will be in contact with my hon. Friend the Member for Eastbourne (Stephen Lloyd) to ensure that that is the outcome of the policy.

Q12. [15268] **Michael Connarty** (Linlithgow and East Falkirk) (Lab): I want to help the Prime Minister to reconsider the fact that we are not signing up to the directive on human trafficking, which, as he may understand, I know a little about. As a consequence, we rely on sections 57 and 59 of the Sexual Offences Act 2003. That means that we cannot, for example, pursue or have any jurisdiction over someone who is normally a resident of the UK but is not a UK national, who is involved in human trafficking. More importantly, we cannot have jurisdiction when a UK resident in another EU country is trafficked by a non—

Mr Speaker: Order. I think we have got the drift of it.

The Prime Minister: I will obviously listen very carefully to what the hon. Gentleman says, and perhaps he would like to set out in detail why he thinks this is so important. The point is that the UK's victim care arrangements are already in line with internationally agreed standards, as set out in the Council of Europe convention on trafficking. The UK already does what is required by the proposed directive on assisting victims, so the proposed directive would not improve the provision of victim care. Those are the facts, and Opposition Members need to engage with that point.

Iain Stewart (Milton Keynes South) (Con): If the Prime Minister were invited to lecture at Harvard university, like the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), on what subject would he care to speak?

The Prime Minister: I hope that my days on the international lecture circuit are some way in the future.

Q13. [15269] **Mr Jim Cunningham** (Coventry South) (Lab): What is the Prime Minister doing to protect manufacturing in the west midlands, and in Coventry in particular? Equally, what is he doing to protect the research and development that a lot of manufacturing companies rely on?

The Prime Minister: The most important thing that we can do is make Britain a great place to do business, to set up a business and to manufacture. That is why we showed in the Budget that we are going to cut corporation tax to one of the lowest levels in the developed world, why we are cutting national insurance for every new business that sets up, and why we are dealing with the appalling economic inheritance that we were left by the Labour party so that this economy can grow, have low interest rates and get moving to provide good jobs for all our people. That is what this Government are all about, and that is what we are fixing.

Q14. [15270] **Robert Halfon** (Harlow) (Con): Is the Prime Minister aware that the last Government took £30 million a year out of our social housing budget to give to their friends elsewhere? Because of that under-investment, one in 10 people in my constituency are on the council housing waiting list. Does he agree that social housing money raised in Harlow should be spent in Harlow, and that Harlow housing money should be for Harlow people?

The Prime Minister: My hon. Friend makes a very powerful point, which is that in our relations with local government, at a difficult time in terms of budgets, we should be giving it money and taking away the ring-fencing and complications and all the different grants. We should say, "There's the money. You're democratically elected, you decide how that money is spent." That is what people are going to see from this Government, and I think it will be welcomed by local government up and down the country.

Dr William McCrea (South Antrim) (DUP): Before the election, the Prime Minister said:

"If I am Prime Minister a Conservative and Unionist Government will work with"

the Northern Ireland

"Executive to ensure a just and fair resolution of the PMS"

the Presbyterian Mutual Society—and continued:

"you've done the right thing and you deserve for that to be recognised and rewarded."

How soon will that pledge be honoured?

The Prime Minister: I am determined that we will honour that pledge. This is important. I know how angry people in Northern Ireland are when they hear British politicians say, "Of course, nobody lost any savings in the crash." People did lose money, including in Northern Ireland, and they are right to be upset and angry.

A working group is trying to go through those issues and to find an answer. My right hon. Friend the Northern Ireland Secretary is involved in that, and the Chancellor is engaged in the issue. It is not easy, but we are determined to find a solution so that we can give satisfaction to people who lost money in Northern Ireland and who currently feel that they have been let down.

Individual Electoral Registration

12.30 pm

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): With permission, I should like to make a statement on the Government's plans for the implementation of individual electoral registration in Great Britain—Northern Ireland having introduced such a system in 2002.

It is widely recognised on both sides of the House that the current arrangements for electoral registration need to change. At present, there is no requirement for people to provide any evidence of their identity to register to vote, which leaves the system vulnerable to fraud. Household registration harks back to a time when registration was the responsibility of the head of the household. Access to a right as fundamental as voting should not be dependent on someone else. We need a better system of keeping up with people who move house or who need to update their registration for other reasons. Individual registration provides an opportunity to move forward to a system centred around the individual citizen.

I am sure that Members on both sides of the House are concerned when they read of allegations of electoral fraud, including those alleged to have taken place at elections this year. Although proven electoral fraud is relatively rare, we should be concerned about the impact that such cases have on the public's confidence in the electoral system. The most recent survey, which was taken after the general election in May, found that one third of people think that electoral fraud is a problem. We can be confident that any allegations will be properly investigated by the authorities, but it is right that we take steps to make the system less vulnerable to fraud, because tackling that perception is an important part of rebuilding trust in our democracy, which is why this Government are committed to speeding up the implementation of individual registration.

Individual registration will require each person to register themselves and to provide personal identifiers—date of birth, signature and national insurance number—which will allow registration officers to cross-check the information provided before a person is added to the register, which should tackle the problem of fraudulent or ineligible registrations.

However, I want to make it absolutely clear that there will be no new databases. The Government's commitment to rolling back the surveillance state will be demonstrated clearly later today when the House debates the remaining stages of the Identity Documents Bill. Electoral registration officers will check the information they receive from people applying to be registered with the Department for Work and Pensions to ensure that the applicant is genuine. People seeking to access public services are already subject to various similar authentication processes, for example when applying for benefits, and I do not believe such a check, which will help to eliminate electoral fraud, is disproportionate or that it represents an invasion of privacy. Naturally, we will ensure that robust arrangements are put in place to ensure that personal data are securely held and processed by electoral registration officers. Personal identifiers will not be published in the electoral register.

The Political Parties and Elections Act 2009 was passed in the previous Parliament with all-party support. At this point, it is worth paying tribute to my right hon. and learned Friend the Member for Beaconsfield (Mr Grieve) and my hon. Friend the Member for Epping Forest (Mrs Laing), who worked tirelessly on promoting that. The Act gave us a framework for moving to individual registration. Introduction was to be on a voluntary basis before a further decision by Parliament—on the recommendation of the Electoral Commission—on whether to make it compulsory from later in 2015 at the earliest, but it is our judgment that that is a slow and very expensive way of doing things.

I am announcing today that we will legislate to implement individual registration in 2014. We will drop the previous Government's plans for a voluntary phase, which would have cost about £74 million over the Parliament. I believe that there is a far more cost-effective way to familiarise people with the new requirements for registration and—importantly—avoid any temporary drop in registration rates.

We propose that individual registration will be made compulsory in 2014, but that no one will be removed from the electoral register who fails to register individually until after the 2015 general election, giving people at least 12 months to comply with the new requirements, and ensuring as complete a register as possible for the election. From 2014 onwards any new registrations will need to be carried out under the new system, including last-minute registrations. We will also make individual registration a requirement for anyone wishing to cast a postal or proxy vote. That will tackle immediately the main areas of concern on electoral fraud, but it will ensure that people already on the register can vote at the next election and will have more than one opportunity to register individually.

Individual registration also provides us with an opportunity to tackle concerns about people missing from the electoral register, which are held on both sides of the House. But it is important to put this into perspective: the UK registration rate at 91% to 92% compares well internationally, including with some countries where voting is compulsory.

There is a significant number of people who are eligible to vote but not on the register. There is a variety of reasons for this and the move to individual registration provides us with an opportunity to do something about it. Whether a person chooses to register or not should be their individual choice. But we should do everything we can to ensure that people are not prevented from registering because the system is difficult to use or through ignorance of their rights. For example, research carried out by the Electoral Commission revealed that 31% of people believed that they would be automatically registered if they paid council tax. Many of those people may not therefore actually take the trouble to register to vote. As part of introducing individual registration, as well as improving the accuracy of the register, we will therefore take steps to improve its completeness.

I can also announce today that we will be trialling data-matching during 2011—comparing the electoral register with other public databases to find the people who are eligible to vote but who are missing from the register. The aim is to tackle under-registration among specific groups in our society and ensure that every

[Mr Mark Harper]

opportunity is available to those currently not on the electoral register. These pilots will enable us to see how effective data-matching is and to see which data sets are of most use in improving the accuracy and completeness of the electoral register. If they are effective, we will roll them out more widely across local authorities on a permanent basis to help ensure that our register is as complete as possible. The Electoral Commission will also play a key role in assessing and reporting on the pilots.

I will be writing to all local authorities responsible for electoral registration to invite them to put themselves forward to take part in these trials and I strongly encourage them to work in partnership with the Government on this important matter. Much work is already done by electoral registration officers to raise awareness and encourage people to register, but I will be considering further how local authorities, Members of Parliament and the Government might work together to develop an approach that will make a positive impact on the level of electoral registration.

Registration should be a simple process. We will also be considering how electoral registration can be integrated into people's day-to-day transactions with Government—for example when they move house, or visit the post office, or apply for a passport or driving licence.

Our proposals will improve both the completeness and accuracy of the register. We will therefore seek to bring forward a draft Bill for pre-legislative scrutiny in the current Session followed by a Bill to introduce individual registration from 2014. The need to improve the accuracy and completeness of electoral registers is an issue on which there is cross-party consensus. As we move forward, it will be important for us to maintain consensus and we will be seeking to work closely on implementation with political parties across the House.

The steps that I am announcing today will achieve change over the lifetime of this Parliament that will safeguard the integrity of our electoral system and improve registration levels. They are an important part of rebuilding people's faith in our democracy and I commend this statement to the House.

Mr Jack Straw (Blackburn) (Lab): I'm back again.

I am grateful to the Minister for his statement, but not—I am afraid—for most of its content. Will he accept that his announcement today of the speeding up of individual registration, but without safeguards or any additional funding, could undermine the integrity of our democracy and lead to a repeat on the mainland of the Northern Ireland experience, in which the introduction of individual registration led to a 10% drop in registrations and many eligible voters effectively being disfranchised?

The hon. Gentleman referred to the Political Parties and Elections Act 2009, which was passed with all-party support, and he paid a fulsome tribute—entirely deserved, if I may so—to the right hon. and learned Member for Beaconsfield (Mr Grieve) and the hon. Member for Epping Forest (Mrs Laing), but why did he not go on to acknowledge the reasons the Conservative Front-Bench team endorsed wholly and specifically the detailed timetable in the 2009 Act and the special safeguards and the role for the Electoral Commission, which was spelt out in that Act? Has he forgotten what his own hon. Friend, the hon. Member for Epping Forest, said in the House and has repeated since the general election? She said that

"it is right to take this matter forward carefully and step by step. None of us wants to see a system introduced that would in any way undermine the integrity of our democratic system."—[*Official Report*, 13 July 2009; Vol. 496, c. 108.]

And is he not also aware of the endorsement of the details in the 2009 Act by the then Liberal Democrat spokesman, David Howarth? He said:

"I do not think that anybody was suggesting that the timetable be artificially shortened"—

exactly what the Minister is now proposing—

"or that any risk be taken with the comprehensiveness of the register."—[*Official Report*, 13 July 2009; Vol. 496, c. 112.]

The Minister seeks to justify his announcement today principally by referring to electoral fraud. We all share concerns about electoral fraud, which pollutes and undermines the democratic process, and the last Government, not least in the Electoral Administration Act 2006, took active measures that are working to protect us better against fraud. However, that was not the principal reason for individual registration. That was about giving people rights as individual citizens just as these days people have rights to individual taxation. What is the evidence that initial registration is the principal point at which fraud takes place? In my experience, the principal problems have come not from that, but from personation at the polls of someone lawfully and properly on the register, or from misconduct over postal votes, where the 2006 Act provisions are working, but where further protection could easily be provided by the simple arrangement of banning the publication of the absent voters list in the immediate run-up to, and during, the election.

The Minister complains now about cost and complexity, but given that our scheme in the 2009 Act was the subject of detailed cross-party consultation by Lord Wills, then my right hon. Friend the Member for North Swindon, why was no such complaint made just six months ago? That system provided a key role for the European—I mean the Electoral—Commission—*[Interruption.]* I had Prime Minister's questions on the brain, but happily the European Commission is not involved in this at all. The system provided a key role for the Electoral Commission to certify that full steps had been taken, but the Minister's provisions seek to bypass the safeguarding role of the Electoral Commission. Why is that?

The arrangement set out in the 2009 Act included a voluntary process that the Minister now derides, but has he forgotten that the hon. Member for Epping Forest specifically endorsed voluntary registration in the first instance, making that subject to certification by the Electoral Commission that it was safe to proceed? The Minister claims that our overall registration rates are similar to those of other countries. They may be, but will he not accept that the overall average disguises the fact that, as the Electoral Commission showed, in many areas, especially in inner-urban areas and seaside towns, and among the young and those on lower incomes, levels of registration are much lower than the average, and less probably than in other countries?

There is no need, as the Minister implied, for further data-matching powers. They are already on the statute book and go back to previous Conservative Administrations, with powers for electoral registration officers strengthened by us, as set out in detail in a parliamentary answer given to my hon. Friend the Member for Vale of Clwyd (Chris Ruane). We will work carefully with the Minister to ensure that the data-matching arrangements are effective.

Overall, however, time and again the Minister and the Deputy Prime Minister have accepted that 3.5 million voters are missing from the register. The burden of the Minister's statement today represents an admission that the 2010 register will disfranchise millions of voters, yet he is planning to use that register for the new fixed boundary arrangements, which will eliminate any local independent public inquiries. Given that, what possible reason is there for rushing the boundary legislation, except the reason now helpfully and publicly put on the record by the hon. Member for Cities of London and Westminster (Mr Field) and the right hon. Friend Member for Haltemprice and Howden (Mr Davis): that this is being done solely for narrow, party political advantage?

Mr Harper: That was a rather grudging welcome, I thought, for our plans.

Let me run through the questions that the right hon. Gentleman asked. His key point, set out at the beginning of his response, was to say that we were planning to speed up individual registration without safeguards, but I do not think that he can have listened to my statement. He specifically referred to the Northern Ireland experience, but what we are doing is entirely because of the Northern Ireland experience, where there was a significant drop in the numbers on the electoral register, albeit one that most people thought was greater than what we could have expected from just removing those who were on the register who should not have been. Clearly we would expect some reduction with individual registration, because there are some people on the register who should not be. However, the Northern Ireland experience is exactly what we are trying to avoid, by not removing people from the register before the next election if they have not registered individually—as I set out right at the beginning of my statement—so I do not think that that issue is valid.

The right hon. Gentleman quoted my hon. Friend the Member for Epping Forest (Mrs Laing) as saying that she was clear that we did not want to undermine democracy. The whole point of the safeguards and the data-matching that I have outlined, along with the careful way in which we are going to proceed, is exactly so that we end up with a register that is more accurate and more complete than the one that we have today.

The recorded statistics on electoral fraud, which come from the Association of Chief Police Officers and the Electoral Commission, show that fraudulent registration is one of the principal examples of electoral fraud, and there was cross-party agreement in the previous Parliament that it should be tackled.

As for the Electoral Commission and the safeguard to which the right hon. Gentleman referred, as I made clear in my statement, the Electoral Commission will absolutely be involved in the process, advising us on the data-matching pilots. We have worked closely with the Electoral Commission and yesterday, when the chair, Jenny Watson, gave evidence to the Select Committee on Political and Constitutional Reform, she welcomed individual registration, making it clear that it was an opportunity to give individuals responsibility for their vote. She also said that introducing individual registration would enable focused programmes to improve registration rates and gave some examples of programmes in Northern Ireland to encourage young people to vote. We will continue to work closely with the Electoral Commission, which has set out some important principles that we plan to follow.

As for under-registration, I made it clear in my remarks that we think that getting people who are eligible to vote on to the electoral register is as important as dealing with people who should not be on it. That is why we set out the proposal not to get rid of people in the first instance, but to improve data-matching, so that we can put some proactive plans in place to tackle under-registration. However, the boundary review will take place on exactly the same basis as the last one. We will use the existing electoral register, as with the previous boundary review, which took place under the previous Government, but under our proposals there will be more frequent boundary reviews—once a Parliament—so that we use the most up-to-date registration data and seats bear more relation to up-to-date electoral data.

On a positive note, I am grateful for the right hon. Gentleman's concurrence that he will work with us on the pilots. I shall write to those local authorities this week, and I shall be happy to work with all parties in the House to look at ways of improving electoral registration across the country, so that we have a more complete electoral register.

Several hon. Members *rose—*

Mr Speaker: Order. A great many right hon. and hon. Members are seeking to catch my eye, so I appeal for short questions and short answers.

Mrs Eleanor Laing (Epping Forest) (Con): I thank the shadow Lord Chancellor for his courtesy in telling me a short while ago that he was going to mention what I had said on this matter. As this might really be his very last appearance at the Dispatch Box—we hope for a Frank Sinatra-style comeback, of course—I should like to pay tribute to him and wish him well on behalf of Members on both sides of the House. He will recall that we have argued over this matter for more than five years. The previous Government delayed and delayed, but at the eleventh hour they at last brought in individual voter registration. However, they still built in delays. Of course I have said in the past that I do not want anything to undermine the integrity of the democratic system, and I stick to that, but nothing that the Minister has said today appears to undermine that integrity. On the contrary, he has said that he will proceed carefully, step by step, and he has assured us that he has learned from the Northern Ireland experience. Also, the new system that he has devised will save money as well as time.

Mr Harper: I am grateful to my hon. Friend for her comments, and I agree with every word that she said, including her fulsome tribute to the right hon. Member for Blackburn (Mr Straw). I thank her for her intervention.

Mr Speaker: I am especially grateful.

Chris Leslie (Nottingham East) (Lab/Co-op): Of course individual registration might improve security, but it will also raise the threshold for engaging in the voting process. Is the Minister today announcing a reduction in the amount of money that goes to electoral registration officers? In his statement, it sounded as though he was taking about £74 million away, but could he be more specific about the phasing of the budget for councils?

Mr Harper: What I announced was that proceeding with the voluntary phase was going to cost £74 million, and we are doing away with that. The hon. Gentleman is an experienced Member of the House, and he would not expect me to announce things that are going to be announced in the comprehensive spending review. I am confident, however, that the funds that we need to implement this in a sensible way will be forthcoming.

Simon Hughes (Bermondsey and Old Southwark) (LD): The Minister's statement is very welcome. May I ask him to invite leaders of all parties in the House together to maximise our input into getting all those electors on to the list who should be on it? I should like to suggest that this November should be a democracy month, involving a campaign to do that, so that the register published in December has the maximum number of people on it for the immediate and long-term future.

Mr Harper: I am grateful to my hon. Friend for that suggestion. I said in my statement that I wanted to work with local authorities and with Members of the House to promote electoral registration. His second idea is a very good one, and I shall think about it some more and see what we can do, ahead of the registration for this December, to make a significant impact.

Fiona Mactaggart (Slough) (Lab): In my constituency, five Conservatives were jailed or convicted following illegal registrations. They will probably be the last people to be convicted of that, because Lydia Simmons, whose seat was stolen, still faces a legal bill of hundreds of thousands of pounds, which were not available because the Conservative party did not pay the costs of its representatives. When looking at this issue, will the Minister see whether there are ways of making funds available to prosecute criminally illegal registration in such cases? I should also like to ask whether he is changing the law when he says:

"Whether a person chooses to register or not should be their individual choice."

I did not think that that was the case in law at present, and I wonder whether his statement is announcing a legal change

Mr Harper: The hon. Lady would not seriously expect me to comment on individual cases, particularly when I do not have the details of them. On her second point, people are not legally obliged to register to vote. If they receive inquiries from the local authority—the household registration form or some other inquiry—they are legally obliged to respond to them accurately, but there is no obligation on individuals to register at all. When registration is a household matter, and a person is responsible for registering other people, it is right that that should be obligatory, but when individuals take responsibility for their own registration, it is perfectly reasonable to say that it is up to them whether they choose to register—*[Interruption.]* We live in a free society, and people are entitled to decide whether they wish to be registered to vote and to cast their vote. That is the position today, and it will remain unchanged.

Henry Smith (Crawley) (Con): I very much welcome the Minister's statement today. He mentioned the checking of national insurance numbers. These are of course available to people who are not citizens of this country or other eligible countries. What sort of citizenship or nationality checks will be carried out on those people?

Mr Harper: Electoral registration officers already have to undertake a number of checks to confirm that people are eligible to vote, particularly in different sets of elections. My hon. Friend will know that, for example, in order to vote in a general election, a person has to be a citizen of the United Kingdom or a qualifying citizen of the Irish Republic or the Commonwealth. Those checks will remain as they are now. The checking of the date of birth, signature and national insurance number will enable the registration officers to be confident about someone's identity, which will enable those other checks to be more accurate.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): In these days of value for money and cost effectiveness, does the Minister see any merit in people who are in receipt of a state benefit, and thereby already encountering an arm of the state, automatically being registered to vote? The same could apply to people paying council tax, as he mentioned in his statement.

Mr Harper: While we are looking into data-matching, we are also going to look at other public databases—the hon. Gentleman has just mentioned a couple—to see whether, using that information, we can contact people who are eligible to vote but who are not on the register. They could then be contacted to check their further eligibility—their citizenship, for example—and encouraged to register to vote. The hon. Gentleman has made a useful and worthwhile point.

Mr Andrew Tyrie (Chichester) (Con): I warmly welcome this statement. It is long overdue, and I am very glad that we are now going to have individual voter registration. I hope that the Government will also make a statement shortly on postal voting. Postal voting on demand has undoubtedly increased fraud. Will the Government look into that, and will they take some action to curb it?

Mr Harper: My hon. Friend would not expect me to anticipate future announcements. Today's proposals represent one stage in improving the electoral system, and we shall be looking at others in the future. I have heard what he has said, and I shall think on it some more.

Chris Ruane (Vale of Clwyd) (Lab): There are currently 3.5 million people missing from the electoral register, many of whom are the most needy people in the country, and they form a significant part of our work load. Measures have been put in place by the previous Government and this Government, and I welcome the proposals to improve registration announced today. The issue is one of timing. These measures will take time to settle in, and the freeze date for the boundary

review is December. In the interests of fairness, bipartisanship and an equitable work load for MPs, will the Minister consider using estimated eligible electorates as the basis for the calculation of new seats in December? Those voters could then be registered when the new measures came into effect, and there would be no fiddling.

Mr Harper: I take exception to the hon. Gentleman's use of the word "fiddling". The boundary review proposed in the Parliamentary Voting System and Constituencies Bill will be carried out on exactly the same basis as previous reviews, using the same electoral register and based on the same data. I acknowledge that there are people who are eligible to vote who have not chosen to register, and that is why we have put in place measures to deal with that. My hon. Friend the Member for Bermondsey and Old Southwark (Simon Hughes) has made some helpful suggestions about what we could do this year, and we plan to fix this. When the hon. Member for Vale of Clwyd (Chris Ruane) raised this matter on Second Reading, I responded by saying that we would put in place measures to tackle under-registration, and I hope that he will be happy with what we have announced today.

Tessa Munt (Wells) (LD): At the moment, we send national insurance numbers to young people who are approaching their 16th birthday, yet, on the declaration form that goes to the local authority, only those who are 17 and older are identified. How can we ensure that we pick up those who are 16 and over and put them into the registration process in anticipation? Would it be possible to promote this through the schools system? The other thing I would like to ask is about the arrangements that are going to be made to check up on those living abroad. What will happen? Is there any capacity to—

Mr Speaker: Order. May I gently explain to the hon. Lady that on these occasions Members should ask a single, short supplementary question? She has had a good run, but we will leave it there for today.

Mr Harper: The hon. Lady's first point was valid. This is indeed something that the chief electoral registration officer in Northern Ireland has been doing—working with schools and also picking up the points the hon. Lady makes about national insurance numbers. In her evidence to the Select Committee on Political and Constitutional Reform yesterday, the chair of the Electoral Commission drew attention to the work in Northern Ireland that has been particularly effective at getting younger voters on the register. That is exactly the sort of thing that we will be able to do once we introduce individual registration and make individuals responsible for registering to vote.

Stephen Twigg (Liverpool, West Derby) (Lab/Co-op): As my right hon. Friend the Member for Blackburn (Mr Straw) said, under-registration disproportionately hits the poorest, the youngest, the most mobile and ethnic minorities in our communities. I welcome the data-matching pilots, but surely it cannot make sense to go ahead with a radical redrawing of parliamentary boundaries before those pilots have taken place. If the Minister is sincere in wishing to conduct a cross-party review, let us have that review, look at the evidence and only then look at a radical redrawing of parliamentary boundaries.

Mr Harper: I simply do not accept the hon. Gentleman's point. The last boundary review that came into place for the recent general election was done using the existing electoral registers, and at least some people not on them were eligible to vote. I have already responded to that point. I am very pleased to work with colleagues on both sides of the House to ensure that more people who are eligible to vote are on the register. I set that out in my statement and I made it clear that the Government are as interested in the completeness of the register as they are in ensuring its accuracy.

Dr Julian Lewis (New Forest East) (Con): My hon. Friend is taking steps that go a considerable way towards restoring integrity to individual voting, but may I reinforce the point made by my hon. Friend the Member for Chichester (Mr Tyrie), that, given that we value individual booths for privacy at the polling station, the over-extension of postal voting destroys that degree of privacy, at least within households? The Minister should look at this question again. People should have postal votes because they need them, not just on demand.

Mr Harper: I hear what my hon. Friend—and, indeed, my hon. Friend the Member for Chichester (Mr Tyrie)—says, and I will think further on it. I hope my hon. Friend the Member for New Forest East (Dr Lewis) will welcome the announcement in my statement that although we are going to leave people on the register who have not individually registered ahead of the general election, those who want to exercise a postal or proxy vote—the areas of greatest concern—will have had to register individually, ensuring an extra safeguard.

Jim Shannon (Strangford) (DUP): The Minister has outlined some changes in electoral reform, which we are glad to see happening. Whenever we go knocking on doors, as we do every time there is an election, people always tell us at the last minute that they thought they were on the list, but they have moved house and so forth. Is it possible to allow late registration even beyond the time currently allowed?

Mr Harper: Our proposals in the Fixed-term Parliaments Bill, which will set fixed parliamentary terms so that election dates become more predictable, should enable organisations such as the Electoral Commission and local authorities to run campaigns to improve registration ahead of specific elections. We will know when the date of the election will be. The hon. Gentleman thus makes a valid point. Under our fixed-term Parliament proposals, it should be easier to deliver what he suggests.

Mr David Nuttall (Bury North) (Con): Does the Minister have any plans to improve the process of checking the identity of voters at the polling station in order to reduce the risk of impersonation?

Mr Harper: That suggestion has been put forward, and it happens in Northern Ireland. We are thinking about and considering it further. If the Government decide to bring forward any such proposals, we will announce them in the House.

Kevin Brennan (Cardiff West) (Lab): If the Minister wants data-matching, it is not a few paltry pilots that he needs; he could do it right across the country. As to his statement that whether a person chooses to register should be an individual choice and in light of his answer to my hon. Friend the Member for Slough (Fiona Mactaggart), I thought that it was a citizen's duty to register to vote. Is this for ever going to be known as the Harper doctrine—"If you don't feel like registering to vote, don't bother"?

Mr Harper: I agree with the hon. Gentleman that citizens should register to vote. I said in my statement that we want a complete register, so the Government clearly want the maximum number of people to register. The issue is whether we believe the law should say that someone should register and whether there should be a criminal sanction if they do not. I do not think that there should be. Indeed, in her evidence to the Political and Constitutional Reform Committee yesterday, the chair of Electoral Commission said:

"I think the idea that your vote is yours and it is not somebody else's—you need to take some responsibility for it—will help and enable registration officers to do more work."

The Government are very clear: we think people should register to vote and we want them to do so, we just do not think there should be a criminal sanction if they choose not to.

Andrew Stephenson (Pendle) (Con): I welcome what the Minister said about individual voter registration, which I believe is long overdue. Two of my hon. Friends have already raised the issue of restricting postal and proxy votes, and I would like to add my voice to theirs, urging the Minister to consider reintroducing the restrictions—they were never removed in Northern Ireland—as the key way of tackling electoral fraud in this country.

Mr Harper: Again, as with my hon. Friends the Members for Chichester and for New Forest East, I have clearly heard what my hon. Friend the Member for Pendle (Andrew Stephenson) has said. I cannot add anything to what I said before—that I will reflect further on the matter.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): Only 84% of registration forms are returned in Newcastle because we are a large city with a large student and deprived population. I have always considered it to be a crime that people should lose their right to vote because of a moment's inattention. In the new coalition Government's "big society", is the Minister saying that there is no obligation to register to vote?

Mr Harper: No, I did not say that at all. What I said was that with the current household registration, where one is not just responsible for one's individual vote but for other people's too, the law requires that when sent a form or approached for information, one has to give it. When this becomes one's individual responsibility and the only person affected is yourself, I simply said that I did not think that it should be a matter for the criminal law.

On the issue of why people choose not to register to vote, the most common reason given is that people have moved house so that voting was not high up on the list of things to be done. For an awful lot of people—almost a fifth of those not registered—it happens because they have not bothered. As MPs and politicians, we all have to persuade electors that they should bother to register. Then, when they have registered, the next challenge is to give them a reason for coming out and using their vote at elections—something that does not happen enough today.

Duncan Hames (Chippenham) (LD): Under the Minister's plans for individual registration, does he intend local authorities to collect as a matter of course individuals' titles so that those using the electoral roll respectfully to engage with the electorate can do so with due courtesy?

Mr Harper: That is not something I thought of announcing today, but the hon. Gentleman is absolutely right that for politicians it is sometimes frustrating when we do not have people's correct titles and we end up with our individual computer programmes guessing what they are, often getting them wrong. I will think further about this, but we should remember that in view of all the pieces of information we already ask local authorities to collect, process and deal with, which are not essential for voting, we must be careful not to impose extra burdens. As I say, I will think further about it.

Mr Tom Harris (Glasgow South) (Lab): Despite my reservations about individual registration, I welcome what the Minister said about data-sharing pilots and I hope he will consider Glasgow as a candidate for such a pilot. However, if we are going to all this great effort to share all these databases in order to identify people who have deliberately chosen not to register to vote up until now, what is the point of the exercise if, having identified those people, we are not going to oblige them to register? What is the point of that exercise?

Mr Harper: There are two questions there. On the first, I shall be writing to all local authorities responsible for registration suggesting that they engage with the pilots. The best thing the hon. Gentleman can do is to speak to his council and his registration officer and encourage them to participate. On his second point, quite a lot of people have not deliberately chosen not to register. As I said, one of the key reasons is that people have simply moved and have not got around to registering. Some people do not know how to register. Many would do so if it were easier, and if they were clearer about what they had to do. I think that if we approach them, tell them that they are eligible to vote and explain how they can do so, we will improve the rate of registration. However, in a free society, if someone deliberately chooses not to register to vote, that is a matter for them.

Mr Philip Hollobone (Kettering) (Con): Parliamentary democracy cannot function at its best if nearly 10% of our citizens are not registered. May I urge my hon. Friend to think again? I think most people believe that registration is a civic duty, and that they would be surprised by what he has said today. May I encourage him to make it a legal requirement for people to register when he introduces legislation?

Mr Harper: I made it clear that I, too, think that registration is a civic duty. However, making it a legal requirement presents the challenge of deciding what sanctions should apply to those who do not register. I do not think that, in a free society, it would be right to imprison someone who chose not to register to vote, or to hit them with a huge fine. In a free society, people should be free not to register to vote without incurring a criminal penalty.

Miss Anne Begg (Aberdeen South) (Lab): I cannot help thinking that we are making voting more difficult for people, and placing more and more barriers in their way, when we ought to be making the process easier. We have all observed that during general elections. It applies not just to the young, the elderly and the disabled, but to people who lives in houses in multiple occupation, especially those living in flats in Glasgow and some industrial areas. It will be difficult to carry out data-matching in such circumstances. I am glad that it is to be piloted, but, as my hon. Friend the Member for Glasgow South (Mr Harris) pointed out, unless it is followed up and the electoral registration officers are much more proactive than they have been so far, it will be a wasted exercise.

Mr Harper: The hon. Lady makes a good point. One of the reasons for the data-matching pilots is to enable electoral registration officers to identify people who may be eligible to vote but are not on the register. They can then focus their efforts on that. As I have said, there is evidence that specific procedures to target younger voters and others who are not currently on the register have been very successful in Northern Ireland.

Tony Baldry (Banbury) (Con): A significant number of United Kingdom citizens living overseas are entitled to vote, but at the last general election a not particularly significant proportion registered or, indeed, voted. How will my hon. Friend ensure that more of them are encouraged and able to register? Could UK embassies, high commissions and consulates be better used to encourage them to register individually?

Mr Harper: I have received and replied to a number of written questions along the same lines recently. The Government are considering those issues, and if we have proposals to present we will, of course, announce them to the House first.

Keith Vaz (Leicester East) (Lab): Resources will obviously be crucial to the success of the project. A significant proportion of British and Commonwealth citizens in my constituency do not have English as a first language. What additional resources will be given to local authorities such as Leicester to enable them to deal with that important issue, and will the Minister meet a delegation to discuss it?

Mr Harper: I should, of course, be pleased to meet a delegation from the right hon. Gentleman or, indeed, from any other Members who wish to discuss these issues. As for the right hon. Gentleman's first question, he will know that local authorities receive funds from their revenue support grant and other resources enabling them to carry out electoral registration. He would not expect me to make specific announcements about the proposals for funding this project before the spending review, but I am confident that it will be properly resourced.

Nick Boles (Grantham and Stamford) (Con): Is my hon. Friend as puzzled as I am by the argument of the right hon. Member for Blackburn (Mr Straw), which appears to be that we cannot adopt fully equal constituencies until we have dealt with the inadequacies of the register over which his party presided, and we cannot do anything to introduce the improvements in the register at any more than a glacial pace? Is not this obstructionism the real attempt to use the electoral system for partisan advantage?

Mr Harper: It seemed a bit churlish to point out in my statement that if there were problems with the state of the electoral register, it was not the parties on this side of the House that had been in government for the past 13 years, which is, I think, the point that my hon. Friend was making. Let me make it clear that we want to improve the state of the register, but the fact that it is not perfect should not mean that we cannot continue with the boundary review. The last Government conducted a boundary review, and we are conducting the review of the register on exactly the same basis.

It is worth pointing out that our electoral register contains the names of about 91% or 92% of eligible voters. In that regard, we compare very well with other comparable democracies. However, we are not complacent, and we want to improve our registration levels still further.

Mark Tami (Alyn and Deeside) (Lab): My right hon. Friend the Member for Blackburn (Mr Straw) gave the example of Northern Ireland, where individual registration saw dramatic falls, especially in poorer areas. What extra resources will the Minister give local authorities, and—this is very important—will he ring-fence those resources to prevent authorities from spending them on other things?

Mr Harper: The hon. Gentleman has raised two issues. The fact that individual registration was implemented overnight in Northern Ireland led to that sharp drop, not all of which was accounted for by the removal of people who should not have been on the register because they were not eligible to vote in the first place, which is one reason for introducing individual registration. It is because we do not want to see a similar dramatic fall here that I announced the safeguard that we would not remove people from the register immediately, and certainly not before the next general election.

As for the hon. Gentleman's second point about resources and ring-fencing, it is a difficult argument. Local authorities generally take exception to central Government's giving them ring-fenced amounts and micro-managing what they do. I know that it can be argued that central Government should say that this is a different area, but that is not a view that has been taken so far. I will think about the hon. Gentleman's suggestion, but I do not think that the Government will pursue it.

Paul Uppal (Wolverhampton South West) (Con): Without simply reiterating the sentiments expressed by my hon. Friends the Members for New Forest East (Dr Lewis) and for Chichester (Mr Tyrie), I ask the Minister to take on board my deep concern about postal voting fraud. Although I welcome individual registration, I fear that it will not wholly tackle that problem, to which I have referred before.

[Paul Uppal]

In my constituency—I must choose my words carefully, because the case is currently being investigated by the Electoral Commission—200 more votes were cast than electoral ballots were issued. I want to impress on the Minister a point that was raised with me recently by a constituent. He said that Labour Members were going from door to door asking if people wanted them to help them to fill out postal voting forms.

Mr Harper: My hon. Friend would not expect me to comment on an ongoing investigation, and I will not do so, but he has raised the issue of why it is important to make the accuracy of the electoral register more secure. We intend to deal with the public perception as well as the reality of the fraudulent registrations that have occurred. As I said in my statement, a third of the public are worried about the security of registration in our voting system, and it is important to the maintaining of confidence in our democracy for us to deal with those real concerns.

Mark Durkan (Foyle) (SDLP): The Minister has said that the proposed carry-over from 2014 to 2015 is designed to avoid the adverse effects experienced in Northern Ireland, but he has also said that those who carry over will be disqualified from postal or proxy voting. Will that disqualification be noted on the register? Among the groups who lost out in Northern Ireland were the long-term sick and disabled, who made the mistake of believing that being on the standing list for postal votes was the same as being permanently registered.

Mr Harper: Those people will not be disqualified from postal or proxy voting, but if they wish to have a postal or proxy vote, they will have to supply their personal identifiers. Those who are already signed up for postal or proxy voting and have already supplied their signatures and dates of birth will have to renew those details from time to time and undergo a verification check. The information will be due at some point in the future in any event, and we are investigating whether we can synchronise the processes to avoid duplication.

Bob Blackman (Harrow East) (Con): I warmly welcome the step to speed up the process of individual registration, but the overwhelming majority of people in the UK do not move from one year to the next. Although I completely agree with having security for the initial registration—supplying national insurance numbers and, most importantly, signatures—because the vast majority of people do not move every year, will the Minister consider sticking with the current position of allowing annual renewals on the list to be done by, for instance, the internet or telephone, rather than having to supply a signature every year?

Mr Harper: My hon. Friend makes a good point. People who are on the register, and who have supplied the identifiers and where verification has taken place, will not have to supply the identifiers and go through that check every year if there are no changes to their details. I thank him for making that point, which has enabled me to make that clear to the House.

Mr Clive Betts (Sheffield South East) (Lab): Data-matching and data-sharing will be key if we are to ensure that thousands of people are not removed from the register as a result of this process. Will the Minister therefore confirm that the pilots will look at as wide a range of data sources as possible? Will he give an assurance that he will look at sources from the Driver and Vehicle Licensing Agency and the Department for Work and Pensions, for instance, and from universities, colleges and schools as young people are often not registered? Will he also consider looking at sources from utilities in the private sector, given that they form an important part of the registration process in Australia?

Mr Harper: I thank the Chairman of the Communities and Local Government Committee for raising that point. As well as writing to local authorities, I will write to a number of other organisations, including civil society bodies, in looking for ideas on how to tackle this issue. I said in my statement that we will look at public databases. Other issues arise if we want to look at private databases, but we are considering that too as we want to use a wide variety of sources. As I will be writing to local authorities, I urge hon. Members who are concerned about registration to speak to their local authorities and to encourage them to participate in those pilots. We want a wide range of authorities to take part, and we want to look at a range of data sources because we want to discover which of them are the most effective before we roll this out across the country.

David Morris (Morecambe and Lunesdale) (Con): I congratulate my hon. Friend on the statement. I have listened to what hon. Members have said, and it seems to me that while nobody will be removed from the register, there is a certain amount of uncertainty in respect of eligibility to vote. Through these various registration documents, will the Minister consider giving people a particular number that could be annexed on to the national insurance number?

Mr Tom Harris: An ID card.

David Morris: No, not an ID card. Far from it; it will be a number, and that number will transfer with them if they move addresses. That would be—

Mr Harris: An ID card.

David Morris: It would not be an ID card. It would be a number that was unique to each person.

Mr Harper: I thank my hon. Friend for his question. The whole point of using the national insurance number as the check is that it is a number that is attached to the individual. I think my hon. Friend and the hon. Member for Glasgow South (Mr Harris) were in danger of anticipating the debate to come on removing ID cards and the national identity register.

Geraint Davies (Swansea West) (Lab/Co-op): Given that one in five people in Britain are functionally illiterate and therefore incapable of filling in forms, and that many more cannot even speak English, does the Minister accept that there will be a systemic deregistration of people? Therefore, will he undertake to ensure that his review of boundaries is done on the basis of population taken from the census, rather than on a corrupted registration based on individual—and, we now hear, voluntary—registration of certain social groups?

Mr Harper: If the level of functional illiteracy in our country is as high as that, it does not say very much for the education policies of the Labour party, which was in power for the last 13 years. The whole point—

Chris Ruane: The Conservative party has been in power for 40 of the last 60 years.

Mr Harper: The whole point about—*[Interruption.]*

Mr Speaker: Order. May I just say to the hon. Member for Vale of Clwyd (Chris Ruane) that anybody would think he was auditioning to be a television sports commentator judging by the frequency of his sedentary interventions? He had his go much earlier—he did very well out of me. He should now listen to the Minister's reply.

Mr Harper: The whole point of using the data-matching pilots and so forth is so that the electoral registration office can identify eligible voters and encourage them to register to vote. It would not be right to use population data because constituencies should be based on eligible voters and not everyone who lives in a certain area is eligible to vote in parliamentary elections. That is why it is not right to use census data. We should use electoral registration data instead.

Greg Mulholland (Leeds North West) (LD): Will the Minister look at the specific issue of college and university students who live at both a term-time address and a different address during the rest of the year? Some are registered in both places, some in one place, and others in none. The result is that, as in Leeds North West, the turnout figures are misleading because quite a number of those people have voted elsewhere. I feel this needs particular consideration. May I have a conversation with the Minister about it?

Mr Harper: The hon. Gentleman makes a good point. It is, of course, perfectly lawful for individuals to be registered in more than one place—they may do so if they occupy two properties, for example—although it is not lawful for them to vote more than once for the same body. The much-quoted survey about people who are not registered did not address one particular aspect of that issue: quite a lot of students who it said were not registered to vote at their term-time address are, of course, registered to vote at their home or parental address. The hon. Gentleman raises an important point, and I would be very pleased to meet him to discuss it.

Mr Andrew Love (Edmonton) (Lab/Co-op): I am not sure whether the Minister is aware that there is considerable concern about the answers he gave to my hon. Friends the Members for Slough (Fiona Mactaggart) and for Cardiff West (Kevin Brennan), and that that concern appears to be shared by Members of the coalition parties. The Minister has regularly mentioned the Electoral Commission. What consultations did he have with it prior to making his statement? Is it his intention that it will continue to have, as the Opposition Front-Bench team has said it would, the role it was given in the Political Parties and Elections Act 2009? If he is serious about avoiding the consequences that arose in Northern Ireland, will he be flexible about the imposition of compulsory individual registration in order to take into account the difficulties that may arise?

Mr Harper: We have, of course, been working closely with the Electoral Commission. My officials have been working with its officials, and both the Deputy Prime Minister and I have met its chair and chief executive to discuss these matters. I think I can accurately say that they are content with our approach. We plan to keep them involved in the process: we want them both to assess the data-matching pilots and, as we move forward, to comment publicly on the completeness and accuracy of the electoral register so that there is an independent check on the progress the Government make.

Mr Nigel Dodds (Belfast North) (DUP): The experience in Northern Ireland has been mentioned on a number of occasions, and one of the lessons from our experience has been that resources need to be put into the Electoral Office for Northern Ireland—or the local councils here in Britain—to get to people who are hard to reach in terms of registration. Can the Minister give a commitment that resources will be available? Also, I welcome the fact that he says his proposals will be achieved on the basis of consensus-building, working with other political parties and having pre-legislative scrutiny, but why does he not adopt the same approach on other important issues such as fixed-term Parliaments?

Mr Harper: The right hon. Gentleman asks a number of questions. On the point about pre-legislative scrutiny, I hope hon. Members will be encouraged by that approach. Whether we can have pre-legislative scrutiny partly comes down to timing. Both my right hon. Friend the Leader of the House and I have explained that point: early in a new Parliament Governments simply have to get on with some things and cannot delay everything. However, we plan to legislate to bring in these proposals in 2014. We will introduce proposals in a draft Bill. Colleagues on both sides of the House will have the chance to scrutinise them, and we will listen to what they have to say before introducing a Bill for scrutiny in both Houses.

Points of Order

1.28 pm

Derek Twigg (Halton) (Lab): On a point of order, Mr Speaker. During Prime Minister's Question Time, I asked the Prime Minister a question about the future of the Mersey Gateway bridge and the impact of cutting capital projects on economic growth. The Prime Minister said specifically and clearly that the Government were not going to cut capital projects. That seems to contradict what I have been told on the Floor of the House and in letters: that a decision on the Mersey Gateway bridge is postponed pending the review of expenditure. Incidentally, that is in stark contrast to the cancellation of the Building Schools for the Future programme, which is a capital programme, the cancellation of which has badly hit my constituency. Can you, Mr Speaker, arrange for an urgent statement to be made to the House to clarify the position on the bridge because we do not want to be in a situation where the Prime Minister is misleading the House?

Mr Speaker: I can make no such arrangement. What I say to the hon. Gentleman in response to his attempted point of order is that he is a wily old hand, and some people might think—this could be uncharitable, but it might not be—that he is seeking to continue the debate. He has put his views very clearly on the record, and I have a feeling they will be heard where he wishes them to be heard. Moreover, if he wishes to follow up his grave concern on this matter with questions of one form or another and in other parliamentary ways, it is open to him to do so, and I have a hunch that he will.

Mr Denis MacShane (Rotherham) (Lab): On a point of order, Mr Speaker. I hope that this is in order. I was concerned to read in *The Guardian* today a statement from Jenny Watson of the Electoral Commission that was based on evidence she gave yesterday. She said that she could not really accept amendments to the alternative vote and boundary change Bill after November and that if their lordships amended it, that would make her life very difficult. Is it right for the head of an Executive agency so to dictate to or tell both the other place and, as their lordships' amendments come back here, this place what they can and cannot amend and when they can and cannot amend it? You have been very good in bringing Ministers to the House to be held to account by Members, but the Executive consist of more than Ministers; we have these new agencies, the Electoral Commission in this case and the Independent Parliamentary Standards Authority in others, where there are deep concerns about whether MPs can carry out their duties. This new state within a state just does not seem to be accountable and has an awful lot of influence.

Mr Speaker: The right hon. Gentleman has made his point, but we cannot have an oration on the matter. We have had a point of order—we are grateful for that—to which I will respond after I have heard from the hon. Member for Epping Forest (Mrs Laing).

Mrs Eleanor Laing (Epping Forest) (Con): Further to that point of order, Mr Speaker. I had no idea that the right hon. Gentleman was going to raise it and I have not read the report in *The Guardian*, but I am a member of that Committee and was at its sitting yesterday morning. What the report describes is not what the chairman of the Electoral Commission said; in fact, it is quite close to a point that I raised in that Committee sitting with the chairman of the Electoral Commission about the significance of the date of 5 November being six months before a proposed referendum. What the right hon. Gentleman has just read from *The Guardian* is not my recollection of what occurred yesterday, and I thought it was as well to raise that.

Mr Speaker: Not for the first time, and I am sure not for the last, there is a disagreement on what the evidence is. What I would say to the right hon. Member for Rotherham (Mr MacShane) and to the hon. Member for Epping Forest is that I am not responsible for what is or, alternatively, is not said by people outside this House. There is, of course, a system for the House to consult external parties, and there is a chance for Members to move amendments on which the views of others have been given. The Bill to which reference is being made is, of course, a Bill that has been committed to a Committee of the whole House, and the situation is that people are free to volunteer their views to the Committee on the Bill. The Select Committee on Political and Constitutional Reform is also conducting an inquiry into the implications of the Bill and, doubtless, it will report any views in due course. I see nothing amiss in what has occurred, but in the course of these brief exchanges the right hon. Gentleman and the hon. Lady have placed their views fairly and squarely on the record.

BILL PRESENTED

Savings Accounts and Health in Pregnancy Grant Bill

Presentation and First Reading (Standing Order No. 57)

Mr Chancellor of the Exchequer, supported by the Prime Minister, the Deputy Prime Minister, Secretary Iain Duncan Smith, Mr Secretary Lansley, Secretary Michael Gove, Danny Alexander, Mr Mark Hoban, Mr David Gauke and Justine Greening, presented a Bill to make provision about eligibility for a child trust fund; to repeal the Saving Gateway Accounts Act 2009; to make provision about entitlement to health in pregnancy grant; and for connected purposes.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 73) with explanatory notes (Bill 73-EN).

Financial Services (Regulation of Deposits and Lending)

Motion for leave to bring in a Bill (Standing Order No. 23)

1.33 pm

Mr Douglas Carswell (Clacton) (Con): I beg to move,

That leave be given to bring in a Bill to prohibit banks and building societies lending on the basis of demand deposits without the permission of the account holder; and for connected purposes.

Who owns the money in your bank account? That small question has profound implications. According to a survey by Ipsos MORI, more than 70% of people in the UK believe that when they deposit money with the bank, it is theirs—but it is not. Money deposited in a bank account is, as established under case law going back more than 200 years, legally the property of the bank, rather than the account holder. Were any hon. Members to deposit £100 at their bank this afternoon or, rather improbably, if the Independent Parliamentary Standards Authority was to manage to do so on any Member's behalf, the bank would then be free to lend on approximately £97 of it. Even under the new capital ratio requirements, the bank could lend on more than 90% of what one deposited. Indeed, bank A could then lend on £97 of the initial £100 deposit to another bank—bank B—which could then lend on 97% of the value. The lending would go round and round until, as we saw at the height of the credit boom, for every £1 deposited banks would have piled up more than £40 of accumulated credit of one form or another.

Banks enjoy a form of legal privilege extended to no other area of business that I am aware of—it is a form of legal privilege. I am sure that some hon. Members, in full compliance with IPSA rules, have rented a flat, and they do not need me, or indeed IPSA, to explain that having done so they are, in general, not allowed to sub-let it to someone else. Anyone who tried to do that would find that their landlord would most likely eject them. So why are banks allowed to sub-let people's money many times over without their consent?

My Bill would give account holders legal ownership of their deposits, unless they indicated otherwise when opening the account. In other words, there would henceforth be two categories of bank account: deposit-taking accounts for investment purposes, and deposit-taking accounts for storage purposes. Banks would remain at liberty to lend on money deposited in the investment accounts, but not on money deposited in the storage accounts. As such, the idea is not a million miles away from the idea of 100% gilt-backed storage accounts proposed by other hon. Members and the Governor of the Bank of England.

My Bill is not just a consumer-protection measure; it also aims to remove a curious legal exemption for banks that has profound implications on the whole economy. Precisely because they are able to treat one's deposit as an investment in a giant credit pyramid, banks are able to conjure up credit. In most industries, when demand rises businesses produce more in response. The legal privilege extended to banks prevents that basic market mechanism from working, with disastrous consequences.

As I shall explain, if the market mechanism worked as it should, once demand for credit started to increase in an economy, banks would raise the price of credit—interest rates—in order to encourage more savings. More folk would save as a result, as rates rose. That would allow banks to extend credit in proportion to savings. Were banks like any other business, they would find that when demand for what they supply lets rip, they would be constrained in their ability to supply credit by the pricing mechanism. That is, alas, not the case with our system of fractional reserve banking. Able to treat people's money as their own, banks can carry on lending against it, without necessarily raising the price of credit. The pricing mechanism does not rein in the growth in credit as it should. Unrestrained by the pricing mechanism, we therefore get credit bubbles. To satisfy runaway demand for credit, banks produce great candy-floss piles of the stuff. The sugar rush feels great for a while, but that sugar-rush credit creates an expansion in capacity in the economy that is not backed by real savings. It is not justified in terms of someone else's deferred consumption, so the credit boom creates unsustainable over-consumption.

Policy makers, not least in this Chamber, regardless of who has been in office, have had to face the unenviable choice between letting the edifice of crony capitalism come crashing down, with calamitous consequences for the rest of us, or printing more real money to shore up this Ponzi scheme—and the people who built it—and in doing so devalue our currency to keep the pyramid afloat.

Since the credit crunch hit us, an endless succession of economists, most of whom did not see it coming, have popped up on our TV screens to explain its causes with great authority. Most have tended to see the lack of credit as the problem, rather than as a symptom. Perhaps we should instead begin to listen to those economists who saw the credit glut that preceded the crash as the problem. The Cobden Centre, the Ludwig von Mises Institute and Huerta de Soto all grasped that the overproduction of bogus candy-floss credit before the crunch gave rise to it. It is time to take seriously their ideas on honest money and sound banking.

The Keynesian-monetarist economists might recoil in horror at the idea, because their orthodoxy holds that without these legal privileges for banks, there would be insufficient credit. They say that the oil that keeps the engine of capitalism working would dry up and the machine would grind to a halt, but that is not so. Under my Bill, credit would still exist but it would be credit backed by savings. In other words, it would be credit that could fuel an expansion in economic capacity that was commensurate with savings or deferred consumption. It would be, to use the cliché of our day, sustainable.

Ministers have spoken of their lofty ambition to rebalance the economy from one based on consumption to one founded on producing things. A good place to begin might be to allow a law that permits storage bank accounts that do not permit banks to mass-produce phoney credit in a way that ultimately favours consumers and debtors over those who create wealth. With honest money, instead of being the nation of indebted consumers that we have become, Britons might become again the producers and savers we once were.

With a choice between the new storage accounts and investment accounts, no longer would private individuals find themselves co-opted as unwilling—and indeed

[Mr Douglas Carswell]

unaware investors in madcap deals through credit instruments that few even of the banks' own boards seem to understand.

Question put and agreed to.

Ordered.

That Mr Douglas Carswell and Steve Baker present the Bill.

Mr Douglas Carswell accordingly presented the Bill.

Bill read the First time; to be read a Second time on Friday 19 November and to be printed (Bill 71).

Business without Debate

ELECTORAL COMMISSION

[Relevant document: The First Report from the Speaker's Committee on the Electoral Commission, Appointment of nominated Commissioners to the Electoral Commission, HC 320.]

Motion made, and Question put forthwith (Standing Order No. 118(6) and Order, 19 July),

That an humble Address be presented to Her Majesty, praying that Her Majesty will appoint as Electoral Commissioners

(1) Angela Frances, Baroness Browning, with effect from 1 October 2010 for the period ending on 30 September 2014;

(2) David Ross Howarth, with effect from 1 October 2010 for the period ending on 30 September 2014;

(3) Roy Francis, Lord Kennedy of Southwark, with effect from 1 October 2010 for the period ending on 30 September 2014; and

(4) Rt. Hon. George Newlands Reid, with effect from 1 October 2010 for the period ending on 30 September 2012. *(Mr Vara.)*

Question accordingly agreed to.

Ways and Means

Amendment of the Law

1.42 pm

The Exchequer Secretary to the Treasury (Mr David Gauke): I beg to move,

That—

(1) It is expedient to amend the law with respect to the National Debt and the public revenue and to make further provision in connection with finance.

(2) This Resolution does not extend to the making of any amendment with respect to value added tax so as to provide—

(a) for zero-rating or exempting a supply, acquisition or importation,

(b) for refunding an amount of tax,

(c) for any relief, other than a relief that—

(i) so far as it is applicable to goods, applies to goods of every description, and

(ii) so far as it is applicable to services, applies to services of every description.

The resolution and the others on the Order Paper enable the House to embark on its third Finance Bill of the calendar year. As Members will be aware, the general election and the need for an emergency Budget meant constrained timetables in legislating for tax measures this year. We have the opportunity in this Bill to examine the technical measures that will benefit from the intense debates Upstairs that I know so many of my colleagues enjoy. I will look forward to seeing many of them on the Benches with me.

The first Finance Bill introduced by this Government legislated for the key measures in our emergency Budget. The Government needed to take quick and decisive action to reassure the country and the markets that we would not allow debt to spiral out of control. However, there remain a number of minor and technical measures that we inherited from the previous Government, which must be legislated for before 2011. The resolutions before us today form the foundation for such a Bill.

It is perhaps worth pointing out that, alongside the Budget, I set out a proposed new approach to tax policy making that we have been discussing with interested parties over the summer. As part of this new approach to making tax policy, the Government are committed to being more transparent and to improving the scrutiny of tax legislation. As a first step towards that, we published all the legislation that will be included in the Bill in draft for consultation on 12 July. Representative bodies described that as a "welcome move" and the consultation has received more than 40 comments, leading to a number of technical changes to the legislation. That approach provides additional scrutiny, which we believe is essential in demonstrating that the Government are genuinely listening to how the tax system can be improved.

Detailed examination of the Bill is for another day, but I want briefly to explain some of what is before us. The Bill will provide for improved treatment of company distributions and ease restrictions on research and development tax credits. It will relieve carers of unnecessary tax and assist trusts to help victims of asbestos exposure. Although small in nature, the Bill will introduce important measures to ensure better compliance with a better tax system.

In conclusion, the Bill on which the resolutions are based will take forward many necessary changes in the tax system that make a difference to the broader public. The Government are making these changes responsibly, having consulted on all the legislation. I hope it will find support among Members on both sides of the House.

1.44 pm

Stephen Timms (East Ham) (Lab): I am grateful to the Minister for his explanation and I agree with the welcome, to which he drew attention, for the consultation on and publication online of the proposed measures before the summer break.

There is still no good reason for this year's post-election finance legislation being split into two Bills other than the Government's wanting to get key measures on to the statute book before all the Government Members realised fully what was going on—before, for example, they had the change to read the Institute for Fiscal Studies' Budget assessment, published last month, which stated that the Budget was "clearly regressive", or the analysis published by the TUC just a few days ago, which underlined the same point.

We are committed in the debates that will follow to holding the Government to account on fairness and to scrutinising closely the quality of the legislation that the Government propose, which I hope will reflect the benefit of the consultation to which the Minister referred. The Opposition will be busy once the Bill is in front of us, both on the Floor of the House and in Committee, but we have no reason to oppose the resolutions and we are happy for them to proceed.

1.46 pm

Stewart Hosie (Dundee East) (SNP): Let me go back over the last three Finance Bills that have become Acts. In 2009, we had 127 clauses and 61 schedules—the normal Finance Bill that we have all spent many pleasurable months Upstairs considering. The first Finance Act of 2010 had 70 clauses and 20 schedules, and then we had the very brief Finance (No. 2) Act 2010, which had 11 clauses and five schedules. The Minister tells us today that there is a requirement for a third Finance Bill this year to cover 18 areas—he described them as minor technical measures. It might well be that they are measures that are time-limited to some extent and must be considered. However, my difficulty is that there will be two full years between 2009 and 2011 before we get a full Finance Bill. That Bill is important in terms of scrutiny because it consolidates and brings together all the tax and duty measures in a single Bill and gives Parliament the opportunity to consider in the round the comprehensive impact of all these measures together rather than doing so piecemeal, which is what is being done here, notwithstanding the technical reasons behind that.

I have no particular problem with the measures that are to be debated—I think that some of them will be sensible—but I am looking for some confirmation before I make a final determination on this measure that when we get to 2011 there will again be a full, comprehensive Finance Bill so that we can see all the tax, duty and other financial measures in a single Bill for proper detailed consideration Upstairs over the months it normally takes. I hope that the Minister can give us some assurance that once we have got past this limited No. 3 Finance Bill, future Finance Bills will not be delivered in this way and will once again be full and comprehensive.

1.48 pm

Chris Leslie (Nottingham East) (Lab/Co-op): I want to make a couple of specific points about the motion. Although I accept that the Minister has said that the Finance Bill will be quite narrow in scope, there are a couple of provisions in the motion that suggest that there could be an opportunity for the Treasury to introduce a series of other measures. The Minister, as is the practice now, tried to set out the context in which the Finance Bill would be set, and obviously the Opposition completely disagree with the Government's approach.

It is quite clear that a strong dollop of dogma has been introduced into the Government's financial strategies. Rather than sensibly and prudently address the deficit, the Government are going far further, far faster than is necessary, which is having a dilatory impact on the economy at large. However, that is a debate for another day.

The specific element of the motion that I want to address is item No. 6, the "Collection of income tax on payments". Senior officials from the Minister's Department have been giving evidence to the Treasury Committee this morning about the significant concern that has been expressed by many of our constituents about problems with the pay-as-you-earn system in collecting income tax that is owed, perhaps when miscalculations were made. Some reports suggest that 1.4 million people owe about £2 billion, which is an average of £1,400 each.

There is significant concern across the country and I am glad that the permanent secretary and his colleagues have given a concession today about the interest elements being waived, in part, when sums above £2,000 are owed. That prompted me to look carefully at some of the regulations that the Minister has introduced, and I noticed that he laid statutory instrument No. 1879—the Taxes and Duties (Interest Rate) Regulations 2010—which sets out that an individual who owes money to Revenue and Customs has to pay interest on it at 3.5%, but if HMRC owes money to an individual it will pay only the absolute, basic minimum, which I think is 0.5%. That disparity is controversial and many people find it difficult to understand why, in all fairness, there is not a two-way street. I wanted to use this opportunity to highlight this issue; I have prayed against that statutory instrument and I hope that we will find time to debate it.

In general, will the Minister iterate an apology from his Department about what has been happening with the PAYE arrangements? Will he also undertake that concessions will be given on the interest owed on any sums to try to make it a little easier for those who face an unexpected bill to bear that cost?

1.52 pm

Mr Gauke: With the leave of the House, let me respond briefly to the points that have been made. First, the hon. Member for Dundee East (Stewart Hosie) asked whether this Bill sets a precedent for future Finance Bills. The intention is to return to the usual one annual Finance Bill; that is probably enough for most Members of the House—even him. As I outlined earlier, the Bill is needed because of the general election and to take decisive action on the deficit.

[Mr Gauke]

In response to the comments of the shadow Minister, I should say that it was important that the Government took decisive action and implemented the measures. Indeed, one reason for the fall in long-term interest rates in recent months might be that the Government have been determined to take decisive action and have demonstrated that by passing legislation to enable us to do so. It is right that we should take further time this year to go through some of the technical measures, and that is exactly what we will do with the Bill.

The hon. Member for Nottingham East (Chris Leslie) asked about the interest regime, the provisions for HMRC in relation to the late payment of tax due and the interest that applies when HMRC owes money. He will know that the provisions in the resolutions and in the Finance Bill are intended very much to tidy up and bring consistency to some areas. The overall interest structure and a unified interest rate was introduced in the Finance Act 2009, which the right hon. Member for East Ham (Stephen Timms) might have taken us through, and we are not departing from what was in that.

The hon. Gentleman is right about the comments of senior HMRC officials at the Treasury Committee this morning regarding the regime for those who have underpaid tax of more than £2,000. HMRC has said throughout that a sympathetic approach would be taken in matters of hardship, but what has been announced today is the intention to make sure that everyone has an opportunity to pay off the underpaid amount without interest or penalties being applied. I am sure that will be welcomed by Members on both sides of the House.

Having responded to the specific points that have been raised in this very short debate, I am grateful that the motions have the support of the House.

Question put and agreed to.

The Deputy Speaker put forthwith the Questions necessary to dispose of the motions made in the name of the Chancellor of the Exchequer (Standing Order No. 51(3)).

2. CAPITAL ALLOWANCES

Resolved,

That provision may be made about capital allowances for foster carers and shared lives carers.

3. VENTURE CAPITAL SCHEMES

Resolved,

That provision may be made about the enterprise investment scheme and venture capital trusts.

4. ENTERPRISE MANAGEMENT INCENTIVES

Resolved,

That provision may be made about enterprise management incentives.

5. SETTLORS' EXCESS REPAYMENTS

Resolved,

That provision (including provision having retrospective effect) may be made amending section 646 of the Income Tax (Trading and Other Income) Act 2005.

6. COLLECTION OF INCOME TAX ON PAYMENTS

Resolved,

That provision may be made about the collection of income tax in respect of payments from which a person is required to deduct a sum representing income tax.

7. COMPANY DISTRIBUTIONS

Resolved,

That provision (including provision having retrospective effect) may be made about company distributions.

8. REAL ESTATE INVESTMENT TRUSTS

Resolved,

That provision may be made about stock dividends in connection with Real Estate Investment Trusts.

9. FINANCING COSTS AND INCOME OF GROUP COMPANIES

Resolved,

That provision (including provision having retrospective effect) may be made about financing costs and income of companies that are members of a group.

10. CONSORTIUM CLAIMS FOR GROUP RELIEF

Resolved,

That provision (including provision having retrospective effect) may be made amending Chapter 4 of Part 5 of the Corporation Tax Act 2010.

11. VALUE ADDED TAX (SUPPLIES RELATING TO NON-BUSINESS USE OF BUSINESS ASSETS)

Resolved,

That provision (including provision having retrospective effect) may be made—

(a) repealing section 24(3) of the Value Added Tax Act 1994,

(b) about what is to count as input tax, and

(c) about supplies under paragraph 5(4) of Schedule 4 to that Act.

12. VALUE ADDED TAX (GAS, HEAT AND COOLING)

Resolved,

That provision may be made about value added tax in relation to supplies of gas, heat and cooling.

13. VALUE ADDED TAX (AIRCRAFT)

Resolved,

That provision may be made about value added tax in relation to supplies of, or relating to, aircraft.

14. VALUE ADDED TAX (POSTAL SERVICES AND TRANSPORT OF PASSENGERS)

Resolved,

That provision may be made about value added tax in relation to supplies of postal services, supplies of goods which are incidental to such supplies and the transport of passengers.

15. TOBACCO PRODUCTS DUTY (LONG CIGARETTES)

Resolved,

That provision may be made amending section 4 of the Tobacco Products Duty Act 1979.

16. LANDFILL TAX (LOWER RATE MATERIALS)

Resolved,

That provision may be made about the criteria for determining what material is to be subject to the lower rate of landfill tax.

17. RECOVERY OF OVERPAID TAX

Resolved,

That provision may be made for and in connection with the recovery of overpaid stamp duty land tax and petroleum revenue tax.

18. RELIEF FROM TAX (INCIDENTAL AND CONSEQUENTIAL CHARGES)

Resolved,

That it is expedient to authorise any incidental or consequential charges to any duty or tax (including charges having retrospective effect) that may arise from provisions designed in general to afford relief from taxation.

PROCEDURE (FUTURE TAXATION)

Resolved,

That, notwithstanding anything to the contrary in the practice of the House relating to the matters that may be included in Finance Bills, any Finance Bill of the present Session may contain the following provisions taking effect in a future year—

(a) provision about seafarers' earnings,

(b) provision about the criteria for determining what material is to be subject to the lower rate of landfill tax, and

(c) provision for and in connection with the recovery of overpaid stamp duty land tax and petroleum revenue tax.

Ordered,

That a Bill be brought in upon the said Resolutions;

That the Chairman of Ways and Means, the Prime Minister, the Deputy Prime Minister, Mr Chancellor of the Exchequer, Secretary Vince Cable, Secretary Iain Duncan Smith, Secretary Chris Huhne, Danny Alexander, Mr Mark Hoban, Justine Greening and Mr David Gauke present the Bill.

FINANCE (NO. 2) BILL

Presentation and First Reading

Mr David Gauke accordingly presented a Bill to grant certain duties to alter other duties and to amend the law relating to the National Debt and the Public Revenue, and to make further provision in connection with finance.

Bill read the First time; to be read a Second time tomorrow, and to be printed (Bill 72) with explanatory notes (Bill 72-EN).

Identity Documents Bill (Programme) (No. 2)

1.57 pm

The Minister for Immigration (Damian Green): I beg to move,

That the Order of 9 June (Identity Documents Bill (Programme)) be varied as follows:

1. Paragraphs 4 and 5 of the Order shall be omitted.

2. Proceedings on consideration and Third Reading shall (so far as not previously concluded) be brought to a conclusion at this day's sitting at 7.00 pm, or three hours after the commencement of proceedings on the Motion for this Order, whichever is the later.

In the interests of allowing the House full debate, as the Government intend to do, we tabled this programme motion as a precautionary measure in case the previous business took us close to 7 o'clock. Looking at the clock, I suspect that this motion could best be described as otiose, but nevertheless it behoves me to move it.

1.58 pm

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): We have absolutely no problem with the programme motion.

Question put and agreed to.

Identity Documents Bill

Consideration of Bill, not amended in the Public Bill Committee

New Clause 1

IDENTITY DOCUMENTS FOR TRANSGENDERED PERSONS

(1) This section applies to a person who—

(a) is a transgendered person,

(b) has not been issued with a gender recognition certificate, and

(c) is living in both the birth gender and the acquired gender.

(2) The Secretary of State must make arrangements for the issue to any person falling within subsection (1), on the application of that person, of two copies of a passport or some other form of identity document of comparable standing, one in the birth gender of the person and the other in the acquired gender.

(3) The form of the document referred to in subsection (2) shall be prescribed in regulations made by the Secretary of State by statutory instrument, which shall be subject to annulment in pursuance of a resolution of either House of Parliament.

(4) Any ID card issued to a person falling within subsection (1) shall (notwithstanding section 2(2)) remain valid until it expires, or until the requirement in subsection (2) is satisfied, whichever is the earlier, and section 2(3) shall not apply in relation to any cardholder who is a person falling within subsection (1).'.—*(Julie Hilling.)*

Brought up, and read the First time.

1.59 pm

Julie Hilling (Bolton West) (Lab): I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss amendment 7, in clause 2, page 2, line 12, at end insert—

'(7) This section is subject to section [*Identity documents for transgendered persons*].'.

Julie Hilling: It is a privilege to move a new clause to a Bill in the House for the first time.

New clause 1 relates to a group of people who are often forgotten—in fact, they seem to have been forgotten by the Government because they were not covered by the equality impact assessment on the Bill—and for whom the identity card was a valued asset because they were able to have one card in their birth gender and another in their acquired gender.

Changing gender is not something that happens overnight; people have to go on a journey that might take several years. For the vast majority of people, it takes at least two years until they reach the position of saying that they wish to live as another person and are able to undergo gender reassignment surgery. However, many trans people choose not to undergo surgery, either because it can be dangerous, painful or unsuccessful, or for other reasons.

Gender identity is extremely complex and there is a broad spectrum of trans individuals. At one end of the spectrum are trans individuals who commit to living in another gender and undertake gender reassignment processes to help them to achieve that, while at the other end are individuals who feel trans, but continue to live in their birth gender, even though they feel trapped in that gender. In between those two ends of the spectrum are trans individuals who feel genderless and prefer to remain gender-neutral, as well as trans individuals who genuinely identify with both genders. There are also people who identify with their non-birth gender, but need to continue to live in their birth gender in certain situations.

In Committee, I talked about my friend who I will call Jane. Jane is still working as John in a very male-dominated industry. She is usually Jane at home, although she is not yet Jane with some of her family, especially her elderly parents, who she does not wish to upset. Jane is on a journey, but at the moment she has to live her life in two genders. It is hard to imagine the problems that arise in her life. What does she do when she wants to book a hotel room or a flight? The ability to have two identity cards has allowed her to go on holiday as Jane, but to continue to live her work life as John. Identity cards were not a full solution to the problem faced by dual-gendered people such as Jane, however. Although the scheme allowed individuals to hold cards in both genders, only one card was valid for overseas travel.

Another trans person—I shall call her T—has contacted me to tell me about her experiences. After feeling transgendered from a young age, T has just started to take active steps to make herself physically more feminine. Of course, it takes time for the physical aspects of gender to change, so T is not yet ready to start living as a woman all the time. Anyone who has had any contact with the transgender community will know the importance of people being able to pass as the opposite gender from their birth gender.

T is a professional working for a very conservative firm. She is only too aware of the difficulties she would face if she started to dress as a woman before she was physically able to pass. Although there is legislation to protect such people against discrimination in the workplace, she knows that she would face great difficulty in her field of work and that, if she was sacked, she would be unlikely to get another firm to take her on. She has therefore decided that she will not start living as a woman in the workplace until she is physically and mentally ready to do so.

T is a trans person with a life away from the workplace, however. She lives as a woman at home and goes out as a woman. It is when T travels abroad as a woman that she feels most liberated with her gender identity.

T has travelled abroad as a woman on a male passport, but that was never easy, even when travelling to relatively trans-friendly countries. Problems arose because when she presented her passport to immigration officials, not only did she look different from her passport photo, but the document stated that she was male, not female. That typically led to delays involving prolonged questioning and embarrassment, but on a few occasions the situation was more severe. In one country, she was taken for further questioning into a side room in which she was mocked and ridiculed by several male immigration officials. They refused to allow her to be frisked by a female immigration official and she was inappropriately molested by a male immigration official—one can only imagine the humiliation.

After that incident, T decided to apply for a passport in the female gender and adopted a female name. That has had a remarkable effect on her life because she no longer faces delays and prolonged questioning. There is no more embarrassment because there is no discrepancy

between the person presenting themselves to immigration officials and their passport. When travelling in certain countries, she is confident of joining queues to be frisked by women, not men. Fortunately, she has not experienced any negative issues when travelling as a female on a female passport, and she is grateful for the protection that that female passport has brought.

The problem has not been solved completely, however, because there are still instances when T is required to travel as a man. She has not disclosed her trans status to her employer, so she has had to refuse all international travel at work because any flights and hotels would be booked by her secretary and, of course, bookings have to mirror the name and gender on a passport. Her continued refusal of international travel is likely to have an adverse effect on her career.

The right to travel is an important aspect of the fundamental right to liberty, and T feels it is important that she travel as a woman in her early stage of transition. However, although she is dual-gendered, there will be instances when she is required to travel as a male. She is therefore in an impossible situation because how does she choose the gender for her passport? The most logical solution to the problem, as set out in the new clause, is that dual-gendered people should be allowed to be issued with two passports. Of course, some single gender people are issued with two passports, particularly when they want to travel to countries in which it is inappropriate to have the passport stamp of certain other countries, so there is a means by which two passports may be issued.

A small number of people make up the trans community. ID cards were not a perfect solution, but they gave those people some liberation. I suggest that people should be allowed to keep their identity cards as a valid means of travel until the Government bring forward an alternative solution.

The Government indicated in Committee that an alternative proposal would be put forward to solve the problem, but unfortunately it has not yet been presented to Labour Members. I hope that the Minister will be able to reassure us by telling us how the Government will resolve the problem experienced by a small group of people who benefited from identity cards, but will face difficulty due to the cards' removal.

Meg Hillier (Hackney South and Shoreditch) (Lab/Co-op): I echo the comments made by my hon. Friend the Member for Bolton West (Julie Hilling).

In Committee and through subsequent correspondence, I have pressed the Under-Secretary of State for the Home Department, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), on the consultation that she and her Department undertook when putting the Bill together. However, I have received no answer, so I hope she will tell the House the groups that she consulted, given that the issue did not even feature in the Government's impact assessment. This House is a tolerant House, and I know that the hon. Lady is a relatively new Minister, but if a mistake has been made, I hope she will have the decency at least to acknowledge that in the House and to apologise to the people affected, who have very little voice. However, there is a vocal group in her Department who have been influential in shaping policy across Whitehall and beyond.

We recognise that the problem is not easy to solve—either here and now on the Floor of the House or more generally—but a small but nevertheless important provision of the Identity Cards Act 2006 was introduced to bring about the existing benefit. We do not necessarily expect a detailed answer from the Minister today, but she has not reassured me, either through correspondence or in Committee, that serious action is under way in government to address the situation. The matter is not so much one for the equalities unit, which she indicated in her last letter was examining the situation, but one for the Identity and Passport Service, which deals with identity issues for the Government as a whole.

We want a real commitment to action today, but all I have heard from the hon. Lady—perhaps she will expand on this during the debate—is the suggestion that the Government are looking to work with international partners to remove gender markers from passports entirely. That proposal could be subject to a huge debate, and I am not sure that we would want that to happen—I think that Government Back Benchers agree. The approach would seem to be a sledgehammer to crack a nut. It would also confuse a lot of people, but even if it was an answer that could be agreed as a way forward, such international negotiations would take a long time, meaning that the proposal is a long-grass solution. We are looking to see a timetable for action and a commitment to action. I once again remind the hon. Lady that she is now a Minister. Whatever her previous record, words are easy. Action may be harder, but action from the Minister is what we are after today.

The Minister for Equalities (Lynne Featherstone): As Members know from my comments on a similar amendment in Committee, I very much support initiatives that will advance the rights of transgendered people. In Committee I acknowledged the role of the hon. Member for Hackney South and Shoreditch (Meg Hillier) in providing a measure in the Identity Cards Act that enabled a transgender person to be issued with two identity cards, one in the gender of birth and another in the gender of their choice.

As hon. Members know, only one of those cards is available for use for travel in Europe. The second card issued in the second identity is available only for use in the UK for identification purposes. The person was required to choose which identity applied to which card at the time of application.

The hon. Member for Bolton West (Julie Hilling) described to us in detail some of the complex and difficult issues faced by transgender people—I should say people with gender identity issues, because they can be anywhere on the spectrum. It is not simply a case of being one gender or the other. As the hon. Member for Hackney South and Shoreditch said, the transgendered community can at times be marginalised, difficult to communicate with and difficult to gather together. Her Government's approach to transgendered people and identity cards did not, however, extend to passports, which it could have done. There was ample opportunity both before and since the identity cards legislation was passed in 2006 for the previous Government to apply the same provisions to passports, but they chose not to do so. There are good reasons for that.

In speaking to the amendment, Opposition Members did not explain why passports did not benefit from the same provisions. I intend to set out briefly some of the

[Lynne Featherstone]

issues involved and what we will be doing to seek a consolidated solution on identity and for transgendered people. I will deal in due course with the points raised by the hon. Ladies.

Current passport policy enables a passport to be issued in a person's acquired gender without a gender recognition certificate, on production of medical evidence indicating that they experience gender dysphoria, or a report to some such effect. A passport in the acquired gender can be a key facilitator in gaining evidence to put before the gender recognition panel to show that a person is living their life in the acquired gender, thus allowing them to get the certificate.

The passport is, of course, an international travel document. It is a good argument that one can get two passports if there is a difficulty with the stamp of a particular country, but there are identity issues associated with passports that are more complex than the same physical image and the same or a similar name appearing. A passport is issued on the basis of nationality and citizenship. It is a secure document that meets strict international standards and enjoys a high international reputation. The standards are agreed and set by the International Civil Aviation Organisation.

We are not aware of any member state that issues two passports on the basis of transgender, and there are a number of reasons why we do not currently envisage the issuing of two passports—I made some inquiries about that possibility—to the same person but in different identities and with different facial images. There are fairly obvious security and immigration control issues arising from a person travelling to a country in one identity and perhaps leaving in another identity. There is also the personal situation for a transgendered person.

I do not know whether hon. Members are aware that following the Committee sitting I wrote about it on my blog. It was clear—*[Interruption.]* That is often a good way of communicating with the transgendered community.

Meg Hillier: I am amazed that the Minister tells us that she wrote on her blog about the issue, as though that is a formal Government process. I have asked her repeatedly what formal Government consultation took place and her answer is her personal blog. Is this the way the Government intend to continue?

2.15 pm

Lynne Featherstone: The hon. Lady is pushing it. That was not an answer to the formal question. I mentioned my blog to illustrate the point that security issues in relation to travel are not the only consideration. There is also the personal situation of a transgendered person. The responses to that blog post indicated, as my hon. Friend the Member for Cambridge (Dr Huppert) identified in Committee, that—

Catherine McKinnell (Newcastle upon Tyne North) (Lab): Will the Minister give way?

Lynne Featherstone: No, I will not give way at the moment. I will finish the point I am making. The responses to the blog indicated that transgender people felt that would make them stand out—it would out them.

Steve McCabe (Birmingham, Selly Oak) (Lab): On a point of order, Mr. Deputy Speaker. If the contents of the hon. Lady's blog are germane to the debate, is it not a requirement that the House should have access to it?

Mr Deputy Speaker (Mr Lindsay Hoyle): Unfortunately, the blog is not a document, so that is not the case.

Lynne Featherstone: Thank you, Mr Deputy Speaker. I will answer the formal question from the hon. Member for Hackney South and Shoreditch about consultation. The scrapping of ID cards formed part of the manifesto for the 2010 general election for both the Liberal Democrats and the Conservatives. The policy received considerable media coverage and our opposition to ID cards has been in the public domain from the outset. The coalition agreement clearly sets out our aim to scrap ID cards and to destroy the national identity register. Therefore, although a formal consultation was not undertaken, we have been open and transparent in what we intended to do and what we are doing.

It is clear from the messages—Opposition Members may think a website is not a formal place—from the community that transgendered people do not welcome the state emphasising their individual circumstances. That is why we will be engaging with the transgendered community and others to determine what they consider is the best approach and how we can best achieve a suitable outcome to the issue raised by Opposition Members, which I agree is extremely important—how to deal with the state of not quite being one gender or the other, or in process between the two.

Bridget Phillipson (Houghton and Sunderland South) (Lab): So what the Minister is telling us is that the Government did not carry out an equality impact assessment, and that the substitute for that is correspondence with individuals on her blog. That takes the place of an impact assessment, which is a legal requirement.

Lynne Featherstone: No, that is not exactly what I said. The impact assessment for the Bill was published on 4 June 2010 and is available on the website of the Identity and Passport Service. The impact assessment indicates that the policy of scrapping ID cards does not have an impact on statutory equality duties.

As the Minister for Immigration indicated in his letter of 19 July to the Chairs of the Committee considering the Bill, the ID card is just one form of identity and although the policy in respect of issuing two cards to a transgendered person may be considered as innovative, scrapping ID cards would not impact on their ability to access services or to travel in their chosen gender. It ill behoves the Opposition to make light of the transgender community communicating through whichever means it wishes.

We need to be careful that in seeking to extend the rights of the transgendered person when travelling, we do not create the potential for additional difficulties. That is why we intend to work with the transgendered community and others on determining what they consider is the best approach and, in conjunction with the Government Equalities Office, consider how we can move this important issue forward. It is important that we listen to those who are most affected. As my hon.

Friend the Member for Cambridge mentioned in Committee, a number of his constituents who would be affected and with whom he has had discussions do not favour the approach suggested by the amendment.

At the same time, through the International Civil Aviation Organisation, we will discuss with our international partners the issue of gender recognition in passports. It is possible for a passport to be issued with an X instead of an M for male and F for female. However, we anticipate that the use of an X may raise more questions than answers. Instead, we will consider other options, including whether it might be possible to remove gender identifiers from passports, and look at any potential consequential security implications of this. We aim to consult groups in the UK this autumn and with the ICAO and others over the coming months.

Meg Hillier: I am puzzled that that proposal has come out of leftfield one might say—but perhaps with this coalition, out of rightfield—as a solution. It seems like a sledgehammer to crack a nut, and it is a very big proposal to suggest that "male" and "female" be removed from a document that 80% of the British public use.

To return to an earlier point, however, the Minister's ego is quite extraordinary. Her blog and no official consultation seem to be her answer to things, and I worry about the civil service. There are some excellent civil servants in her Department, as I well know, and they have to act on the basis of two political manifestos and a personal, political blog. Within government, there are statutory and other requirements for consultation, but the Minister has come to the Dispatch Box to explain that this Government do not take them seriously. They prefer party political routes, with all their imperfections, to what one might reasonably expect, which are proper Government routes.

Lynne Featherstone: As I have already explained to the hon. Lady, we are taking formal Government routes, too. Indeed, we will proceed with more formal routes and properly consult a wide range of transgender groups.

The new clause is impractical and fails to recognise its impact on transgendered people. It asks that ID cards that have been issued to transgendered people remain valid until expiry or until another system is in place, but in practice that would mean that only transgendered people would have ID cards. Apart from the huge cost of maintaining the ID infrastructure, whenever that card were used the gender background of the cardholder would be immediately identifiable. Rather than enabling transgendered people to get on with their lives without interference, the proposal would bring them unnecessary and potentially harming attention and focus, and the same problems would arise if transgendered people were issued with a bespoke identification document other than a passport.

This Government are producing the first action plan on transgender equality ever produced by an Administration. Perhaps Opposition Members did not realise the unintended consequences of their new clause, but I recommend that it be withdrawn.

Julie Hilling: I am a new Member, and this is the first time that I have been through this process. However, a Bill has been introduced to get rid of previously enacted legislation that served some members of our community well—a small proportion, but it served them well—and I am deeply shocked that, without any formal consultation or proper discussion with that community, we are now saying that we will get rid of it.

Lynne Featherstone: We have agreed that it is an important issue and I understand that there was only one case of dual issuing—of issuing two identity cards.

Julie Hilling: I was not a Minister and cannot answer that point, but I thought that we were supposed to have impact assessments before we made legislation. The Government are making legislation without them, and I am deeply shocked.

I wish that I were reassured, but I am not sure that I am. I listened to what the Minister said about the need to go forward on the issue and the transgender community being consulted on the solution. I hope that she will undertake that consultation.

Believe me, I recognise that the situation is difficult to resolve. I understand the difficulty of saying, "Let's not have a gender in the passport" because that would not be a solution; and I understand the difficulty of issuing people two passports. The House should not misunderstand me; I understand that difficulty. However, it is so important for that small group of people that we do not allow our citizens to be humiliated as they go through passport control or people to lose their careers because of the difficulties that they face. On the basis of the Government's guarantees that they will take the issue forward, take it seriously and work on it, I beg to ask leave to withdraw the clause.

Clause, by leave, withdrawn.

New Clause 2

PASSPORT FEES FOR HOLDERS OF ID CARDS

(1) This section applies to a person ("P") who—

(a) held a valid ID card on the day on which this Act was passed, and

(b) paid a fee for the card.

(2) On the first occasion after the passing of this Act on which P applies for a passport, the fee charged for the passport shall be reduced by £30.'.—*(Meg Hillier.)*

Brought up, and read the First time.

Meg Hillier: I beg to move, That the clause be read a Second time.

Mr Deputy Speaker (Mr Lindsay Hoyle): With this it will be convenient to discuss the following:

New clause 4—*Transfer of information from National Identity Register to Identity and Passport Service*

'The Secretary of State must ensure that any information recorded in the National Identity Register which—

(a) relates to a person ("P") who has indicated that P wishes to retain P's identity card until its expiry date, and

(b) is relevant to an application by P for a passport,

is transferred to the Identity and Passport Service.'.

Amendment 5, page 1, line 16, in clause 2, leave out from 'day' to end of line 10 on page 3 and insert

'will remain valid until their expiry date.'.

Amendment 6, page 2, line 13, leave out clause 3.

[Mr Deputy Speaker]

Amendment 8, page 2, line 16, in clause 3, at end insert—

"(2) The Secretary of State must, before the end of the period of four months beginning with the day on which this Act is passed, present to Parliament a report identifying the information destroyed in accordance with subsection (1).".

Meg Hillier: I shall not rehearse all the arguments that were made in Committee, but the Opposition are concerned about the mean-spirited nature of the Bill. Some 14,000 people took up ID cards, most of which were paid for, and those individuals thought that the cards would be valid for 10 years. It was a simple transaction not just with a commercial body, but with Her Majesty's Government and, indeed, the Identity and Passport Service, one of the most trusted public bodies in this country, as research shows. Yet if the Bill goes the way the Government wish and, similarly, through the Lords, one month after Royal Assent those individuals will lose the ability to use the card that they had thought would be valid for 10 years. We have tabled some new proposals and given the Government a choice about how to deal with the matter. There is still an opportunity for the Minister for Immigration to recognise that, in his haste to get rid of identity cards, which for him is a big ideological issue, he does not need also to be unfair to those who in good faith paid their £30.

The new clause and amendments detail two proposals. There is no money resolution attached to the Bill, so we cannot press for a refund. However, we propose that the fee that people paid be added as a credit to the passport database. The data-matching would be relatively straightforward, given that everybody who holds an identity card, including myself, has, or has recently had, a passport. Of course, there are data protection rules, and we would have to gain permission from those individuals, but I would happily give permission for my data to be transferred.

In the process, we would lose the fingerprint, because it cannot be stored—*[Interruption.]* I am glad to see that the Minister is listening. It cannot be stored on the passport database—*[Interruption.]* I am being ironic: the Minister will, I hope, be listening in a moment. It cannot be stored, because the Government, in their desire to get rid of it so quickly—*[Interruption.]* In their reckless desire to get rid of it quickly, I repeat for the Minister, the Government do not plan to introduce passports with fingerprints. However, that credit would give some comfort to those who paid £30, and it would represent basic fairness.

The Government make great play of fairness—they often point to their coalition agreement, which makes much of it—and, as we seem to be quoting manifestos today, each individual party spoke about fairness in its manifesto, so we ask that the proposal be considered. It would be a relatively straightforward transaction, and with another amendment we will probe the Minister on a further issue. If the Government are planning to destroy the data, they will have to handle the information and do something with it, so they might as well pass it over to the passport database.

Guy Opperman (Hexham) (Con): Does the hon. Lady expect the repayment to be made to those persons who received that particular facility for free?

Meg Hillier: If the hon. Gentleman had had the courtesy to listen, he would have heard me deal with that point at the beginning of my comments.

We also suggest an alternative, so the Government have a choice. The Minister has two options in order to be fair to those members of the British public who bought a card in good faith. The alternative is to allow cards to continue for 10 years and, again, with the permission of the individual cardholder, for data to be migrated to the passport database, which is not a terribly difficult transaction, so that ID cards can continue as passports. We recognise that that is not a perfect solution, because with few cards already out there and, given all the points that we rehearsed in Committee about someone's ability to recognise the document, there might still be issues. However, that would represent a choice for the individual who had paid their £30 to have the card.

Mr Aidan Burley (Cannock Chase) (Con): We learned in Committee that of the 14,670 ID cards that were issued, almost 3,000 were given free of charge, so only 11,000 cards were paid for. Are the Opposition, in the second of their two options, suggesting that we maintain the card infrastructure for the next 10 years just for those 11,000 people, at a cost of £50 million to £60 million for 16 people per constituency?

2.30 pm

Meg Hillier: That is not what we are suggesting, as the hon. Gentleman would see if he read the new clause. As I said, we are suggesting that the information be migrated to the passport database.

We recognise that this is a rare area of unity for both Government parties, which is perhaps why it is being rushed through. The Government clearly want to get rid of the national identity register. However, it would not be difficult to migrate data to the passport database, especially given that everybody who currently holds a card has recently held, or currently holds, a passport. Of the 11,000 people affected, many may choose not to take up migration of the card. If there were to be the option of a credit on their passport database, some may not choose to take that up either. However, it would give them the option. I believe that it can be done relatively cheaply, and that it is fair.

This is being done with the ideologically driven haste of the Minister. We have debated this previously and I know that he is passionate about getting rid of ID cards, but basic fairness is involved. Frankly, those who bought in good faith from the trusted Identity and Passport Service have been diddled by this Government. If the Minister gets up and talks about what his manifesto said, we will be driven to despair. We discussed this in Committee. When somebody buys a passport or an identity card, or has any other transaction with Government, they will not necessarily take into account something that has been said in a political manifesto. Government has some degree of continuity and when an individual has bought something in good faith, there needs to be some recompense for them.

We recognise, reluctantly, that both parties in this Government had a mandate to get rid of identity cards; as I said, it is one area of unanimity within the coalition. Therefore, whatever our position on that general issue, we will not press the matter to a vote. However, the issue

of compensation is very important, and we will seek to divide the House on the new clause unless the Minister can give us some reassurances.

Pete Wishart (Perth and North Perthshire) (SNP): I rise to oppose vigorously the new clause.

We have to be absolutely and abundantly clear about the fact that identity cards are exclusively and solely a new Labour creation. Every single other party in this House made it absolutely clear that we would have nothing whatsoever to do with them and that if we had even the remotest opportunity to get rid of these useless and intrusive lumps of plastic, we would do so immediately. We actively encouraged people not to take out ID cards. For those who did so, under new Labour encouragement, that was their free and fair choice: tough luck to them. We are now enacting exactly what we told them. The new coalition Government are absolutely right to try to get rid of ID cards. They said they would do it in 100 days. I am disappointed that it will take a little bit longer than that, but thank goodness we are getting rid of this hated, obtrusive and ridiculous scheme.

We refer to these as ID cards, but let us give them their proper name. They are not ID cards, but NLID cards—new Labour identity cards. They are a monumental folly that symbolises new Labour's attempt to create the anti-civil libertarian state, and thank goodness they did not get away with it. Instead of droning on about compensating the poor mugs they encouraged to take out ID cards, why do not Labour Members get on board and join us in celebrating the removal of these things? Nobody wants them.

Catherine McKinnell: I appreciate the very strong feelings that the hon. Gentleman is conveying, but I want to draw out his views not on whether ID cards should be abolished but on whether individuals who paid for them honestly and in good faith should be recompensed, as suggested in the new clause.

Pete Wishart: I am grateful for the hon. Lady's intervention. We told people who were thinking about taking out an ID card, "Don't do it—we're going to abolish this scheme." In fact, if someone took out an ID card in Scotland, they would not require compensation but having their head looked at. The Scottish Government made it clear that people would not be able to use an ID card to access public services in Scotland. We did everything we could as a Government and as a party to discourage people in Scotland from taking out ID cards—and thank goodness they listened to us. I think that perhaps one in 10 of the people involved took out an ID card in Scotland. Anyone who did so would have to be the biggest new Labour cheerleader waving in and celebrating the arrival of the anti-civil libertarian state in Scotland. They would need to have had "Kirkcaldy and Cowdenbeath's Finest" tattooed on their chest to have taken out an ID card in Scotland: that is how ridiculous a proposition it would have been.

Robert Halfon (Harlow) (Con): I thank the hon. Gentleman for giving way in the course of such an impassioned speech. Does he agree that not all Labour Members take the same view? In fact, the Labour party leadership candidate, the right hon. Member for Doncaster North (Edward Miliband), has said that ID cards were a great mistake and that the party should show some humility and admit that it got it wrong.

Pete Wishart: I am grateful to the hon. Gentleman, because I have that quote from the right hon. Member for Doncaster North (Edward Miliband), who said:

> "As someone who is liberal on social issues and civil liberties, I accept that in government we were too draconian on aspects of our civil liberties...We have to have to be able to say we won't go back to ID cards."

Come on, the rest of you—catch up! He might be your leader, because according to the opinion polls he is ahead. You are way behind current thinking on this. Labour had a good record on civil liberties until new Labour came along—please get back in touch with your civil libertarian roots.

Meg Hillier: I am interested to hear the Scottish National party's position. In fact, people could not easily apply for ID cards in Scotland, and that is why very few did so. They were not formally launched there at the point at which the Government changed, but they would have been coming and I am sure that there are many people in Scotland who would have liked one.

Leaving that aside, it would be interesting to know what the SNP's position is on fingerprints in passports, which is something that Members from many parties in this House, both Government and Opposition, have indicated is very important, and something that my right hon. Friend the Member for Doncaster North has not ruled out.

Pete Wishart: If you will allow me, Mr Deputy Speaker, because we are straying somewhat from the terms of the debate, I would say to the hon. Lady that I am very pleased that the coalition Government are picking up the Scottish example as regards databases. They have seen the good sense of the SNP Government in their approach to these issues, and I congratulate them on following and copying their model.

Given that it was Labour Members alone and exclusively who encouraged people to take out ID cards, why are they asking the taxpayer to help with compensation? It should be the Labour party that compensates the poor souls who took them out. It has all these trade union funds—what is it going to do with them? If you want compensation to be paid to these people, pay it yourself.

I have one bit of comfort for all those who have taken out ID cards in the course of the past year: they are becoming a collector's item. This is really intriguing and interesting. Forget about compensation—all they need to do is get one of the great Labour champions of the anti-civil libertarian state to sign their card. If anyone watching this has an ID card, they should get Mr Clarke, Mr Reid or Jacqui Smith to sign it, and that will increase its collectability. They might get more than the £30 that they want the Government to pay them back. Here is a good idea: they should get the absolute champion of ID cards, the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), to sign it; they would probably turn a profit given the collectability that that would have in the future. The collectability of ID cards makes them almost like little bits of the Berlin wall, appropriately, and that is how they are likely to remain.

I make a plea to the Labour party: get on board with this. Get in touch with your civil libertarian roots, find a new agenda, listen to what is happening in your leadership

[Pete Wishart]

contest, and forget about droning on about compensation and trying to get this scheme to go on. It is done, finished—move on. I am with the Government on this one. We should reject this new clause, make sure that nobody gets compensation, and end the scheme tomorrow if we can.

Mr Robert Buckland (South Swindon) (Con): It is a real pleasure to follow the hon. Member for Perth and North Perthshire (Pete Wishart), who, with Celtic chutzpah, put the damning case against identity cards and the national identity register extremely well and with great wit and humour. I pay tribute to him.

I am sure that the hon. Member for Hackney South and Shoreditch (Meg Hillier) will forgive me for saying that the fortitude with which she moved the new clause characterised her approach throughout the long march of ID cards up to the top of the hill and now, happily, down again. She reminds me of Queen Victoria during the Boer war. When it was put to her in the early stages that there was a possibility of defeat, she memorably said, "I do not accept the possibility of defeat. It does not exist." The attitude of the hon. Lady and the former Government to ID cards is encapsulated in that memorable quotation. There has been a state of denial and an almost fanatical refusal of the reality of how the debate on ID cards has shifted since the early days, when I concede opinion polls were somewhat against those who opposed the cards.

There is no doubt that there has been a sea change in public opinion in recent years, encouraged not only by parties in the House but by a genuine campaign across the country against the menace of ID cards and the national identity register. Yet the former Government did not listen to that campaign or to members of my party, the Liberal Democrats or the nationalist parties. There was a grand coalition against the proposals, but still they pressed ahead. Worse than that, to use another military metaphor, they laid booby trap after booby trap to make it as difficult as possible for people to withdraw from the scheme. That is where the new clause fails the test that we should set it.

Although I appreciate the spirit behind the proposal, there is no doubt that members of the public who chose to buy an identity card would, by definition, have been aware of the raging debate about that contentious issue. I have to say to them, caveat emptor—let the buyer beware. When buying the card, they knew that it was my party's stated intention to take immediate steps to end the scheme, and that other parties were saying exactly the same thing. The message was loud and clear.

The situation is rather like the one 13 years ago, when the Labour Government came to office. They made their position clear about certain policies—for example, promising an end to tax credits for people on private health schemes. We are not here to debate that now, but it is a parallel point. Labour was elected to office overwhelmingly and carried out its policy, as it was entitled to do. The electorate were given a clear message, and the late Government did not renege upon their promise. They pressed ahead based upon the mandate that they had received. Although we can debate the merits of that decision, it was their prerogative. Now, 13 years later, we are in a similar position. We have a Government consisting of two parties that made their position crystal clear before the election, yet if we accept the amendment, we will be applying a different rule.

Politics is a tough occupation—I am sure we all have direct experience of that. We win some, we lose some. Labour comprehensively lost the argument on identity cards and the national register, and I submit that in those circumstances, the best thing for it to do is accept defeat gracefully and not press the new clause.

Mr Denis MacShane (Rotherham) (Lab): The hon. Member for South Swindon (Mr Buckland) was eloquent and I agree with much of what he said, above all about the centrality of the manifesto on which a party is elected. The Conservative party was elected on a very clear manifesto against the alternative vote, and of course Conservative Members are now marching into the Lobby to vote for a referendum on it. However, he will have to learn a lesson about politics that I have had to learn for much of my life, which is the pleasure of swallowing one's previous pledges and standing on one's head. On AV, which is far more important than this minor Bill, the Conservative party is doing both. The nation will duly take note.

2.45 pm

The hon. Member for Perth and North Perthshire (Pete Wishart) was wondrous in his eloquence. His speech was clearly a bid to join the coalition, and I would have thought that he should get a ministerial job. The Government are short of Scottish talent. Actually, they are short of talent, and he is both Scottish and talented. He should certainly be sitting on the Treasury Bench. He represents the nationalistic passions of Scotland, the country where I was born and where an awful lot of my family still live.

I wish that new Labour had been the inspiration for ID cards, but it was not. The Netherlands, Germany, Spain and France all have them. ID cards are a European idea, but in today's evolving political landscape it is always important to hear the nationalist rant against European practice. That is another reason why the hon. Gentleman may find himself much happier sitting on the Government Benches.

I turn to the new clause itself, which is not about the origins and use of ID cards, or about whether they were in the manifesto that the British people supported, just as they handsomely supported the party opposed to AV and defeated the one in favour of it. It is simply about whether the state can confiscate money. The hon. Gentleman is wrong; it was not taxpayers' money that paid for my ID card but a £30 cheque or credit card payment from my miserable pre-Independent Parliamentary Standards Authority salary. I am not sure whether it is a claimable expense. As euro-waffler-in-chief, I do an awful lot of travel in Europe, but I am not sure whether I could put in a claim for an ID card.

The Minister for Immigration (Damian Green): Don't even think about it.

Mr MacShane: The Minister is quite right. However, it was my money that paid for my ID card, and the state has no right to confiscate my money. If it took a house or land from me by compulsory purchase, it would have to pay the due sum.

Mr Burley: Is the right hon. Gentleman aware that his decision to buy an ID card, whether or not he intended to claim the money back, was entirely a free choice? He had a choice whether to buy one, and he chose to do so. These are the consequences.

Mr MacShane: I am terribly sorry, but I obtained my ID card and paid my £30. The new Government are rightly seeking to confiscate it, but they owe me modest compensation for doing so. I would never be allowed, under your stern tutelage, Mr Deputy Speaker, to accuse the Ministers of misleading the House or not being straight with us, but may I say that they are being a right pair of tea leaves at the moment? They are going to steal my money and not hand it back. *[Interruption.]* I mean that they are fond of tea and coffee. A very sound principle of British law is that if the state changes regulations and confiscates an individual's property that was bought in good faith, forms of compensation are normally paid.

That is not just my view but that of a distinguished Conservative adviser, Lord Levene, who I believe the Prime Minister has hired to advise him on reducing defence expenditure, or perhaps more accurately to achieve smarter procurement in defence, which is his speciality. He wrote a very cross letter to *The Times*, about which we later had a very nice telephone conversation, in which he said that it was quite preposterous that having bought his identity card in good faith, he should now have it confiscated without any compensation. I bow to Lord Levene as a banker, a man of affairs, a business leader and a distinguished Government adviser, and shelter behind his outrage. Frankly, it does not matter if we are talking about one person or 14 million people. I put it to the hon. Member for Perth and North Perthshire that the Government could do themselves no end of good by accepting the new clause, because 14,000 or 15,000 people, in good faith, took out ID cards—*[Interruption.]* Sorry, 11,000 people paid money for cards and others got them free. They have used the cards for three months, so compensation could be made pro rata. It would do the Government no harm—they have sent letters to Lord Levene and me, but they will be sending more—to put a little cheque in the post for those people.

Damian Green: The right hon. Gentleman was in danger of coming close to a serious point, and I thought it deserved to be dealt with. I am sure he has read the Bill and the Identity Cards Act 2006 carefully, so he will be aware that the Government of whom he was such a distinguished and eloquent supporter for so many years wrote the legislation so that the ID card, which he says is to be confiscated, is not his property. The ID card has always been the property of the state, so he cannot run the argument that his property will be confiscated.

Mr MacShane: I am grateful for that hair-splitting point. My passport remains the property of the state, but the plain fact is that I and 11,000 others paid £30. That is not a lot of money, but it was paid in good faith. New clause 2, gently and in a friendly way—there will be other opportunities to make similar points—says that there should be polite compensation. That is a long-established principle of British democratic practice. We are talking peanuts, so the Government would do themselves no harm at all if they erred gently on the side of generosity.

Guy Opperman: I shall not detain the House long, but the Bill has rightly been described as a long march. The previous Government's policy began years ago as a proposal for a compulsory scheme, forcing ID cards on individuals. As a result, there was tremendous opposition. It is surely a rare day when the Conservative and Liberal coalition is supported by Justice and other individuals and organisations that promote civil liberties.

The Government, having decided that the scheme would be compulsory, indicated in the previous Parliament that the scheme would be voluntary. I confess that my vast research was not into answering the question whether schemes in other parts of Europe are compulsory rather than voluntary, which the right hon. Member for Rotherham (Mr MacShane) raised. However, the UK scheme was voluntary and people signed up it.

The 2006 Act wound its way tortuously through the House, slowly but surely, faltering at every step, like some relic of yesteryear, as the previous Government attempted to demonstrate tremendous moral fibre in some shape or form. They were in the position of having to carry the measure, and the scheme eventually became voluntary. As soon as the scheme became voluntary, the argument in favour of repayment fell away. People were not obliged to sign up for an ID card, and could instead rely on their passports, driving licences or alternative documentation.

The reality is that people voluntarily signed up to pay for an ID card. They were not forced to sign up, so the Government's approach must be dramatically different. The decision to sign up is for the individual, and the legislation states that if they do not want to sign up, they do not have to do so. It is not incumbent on the state, at this or at any other stage, to pay compensation.

Mr MacShane: Let me ask the hon. Gentleman a question so I can get this clear: if he voluntarily buys a house and the council comes along and takes it off him, is he saying that the council does not have to pay compensation?

Guy Opperman: A variety of things could happen in that situation, not least suing the council. I can assure the right hon. Gentleman that various people who gave evidence to the Public Bill Committee indicated that they might contemplate suing the Government. People could sue the council if they were put in that position.

Pete Wishart: That is not so much the key point as the context of such decisions. When lots of people are saying, "Do not buy this because we are going scrap it," people are making an informed decision. If they choose to buy voluntarily an ID card, that is surely up to them.

Guy Opperman *rose—*

Michael Ellis (Northampton North) (Con): Will my hon. Friend give way?

Guy Opperman: Of course.

Michael Ellis: To continue the example of the house sale, an individual buying a house despite knowing that there is something wrong with it, such as subsidence, is the same as the right hon. Member for Rotherham (Mr MacShane) in respect of his ID card.

Guy Opperman: The position has been explained and I am sure that it is fully comprehended. We should not detain ourselves on the £30 any further in the House. Liberty and Justice support our point of view.

Meg Hillier: Liberty is also in favour of removing ID cards for foreign nationals, or biometric identity documents, or whatever people wish to call them. Does the hon. Gentleman agree with Liberty? Is he aware that surveys revealed that the Identity and Passport Service is one of the most trusted public bodies in the country? That trust is being breached by the Government's decision. All we are saying to the Government is, "Be fair to those who bought an ID card." Frankly, the idea that everybody read all the manifestos, as some hon. Members are saying, rather overrates their importance, and suggests that hon. Members are not in touch with the many people who do not follow politics and daily read manifestos

Guy Opperman *rose*—

Mr Deputy Speaker: Order. May I remind the hon. Gentleman that the debate is quite tight and that he should speak to the new clause? He should not draw Members into other areas.

Guy Opperman: I apologise, Mr Deputy Speaker, if I have in any way drawn Members into other areas.

The short answer to the hon. Lady is to ask her this question: if the ID cards satisfaction survey showed that they were so popular, why did so few people sign up? Fewer than 15,000 signed up, and several thousand did not have to pay.

Damian Green: The hon. Member for Hackney South and Shoreditch (Meg Hillier) inadvertently misled the House by saying that Liberty is against biometric residence permits. I have Liberty's briefing for today's debate. It states that—

Mr Deputy Speaker: Order. I do not think that the permits are part of the debate, and we are being drawn into other areas. I am sure that Mr Opperman would like to continue his speech.

Guy Opperman: I do not intend to go any further on that point. My final point is that we should not sign up to proposed new clause 2.

Steve McCabe: I, too, do not want to take too long on new clause 2 and in speaking to amendment 8. I enjoyed the contribution of the hon. Member for Perth and North Perthshire (Pete Wishart). I am going to try to find out who the 10 people in Scotland who want to join his fan club are, and I will do anything I can to put them in contact with him.

I want to acknowledge that there is one area of agreement. The Lib Dem and Conservative parties both went into the election on a promise to abolish identity cards, and we cannot really find fault with that. Of course, the Lib Dems also promised thousands of extra policemen, and I do not know where that figures in the current arrangements. However, if people are going to pray in aid that their manifesto commitment is the great justification, we need a total explanation. As far the Lib Dems are concerned, their justifications amount to nothing.

3 pm

This is a relatively small issue, and we could go too far on it, but the people who bought ID cards did so in good faith—

Mr MacShane: It is a narrow point, but it is an important point. Since 1945, there have been many elections—although perhaps not recently—in which a party has said that if elected it would nationalise a private industry. The owners of the shares in that industry—even if the shares amounted to £20 and were bought on the day of the election—always received due compensation. We do not confiscate without some compensation. That is a very important point of British democracy.

Steve McCabe: There is a principle here, and that is my point. People bought these cards in good faith. It is all very well for other hon. Members to say that it was clear that if the election results went a certain way they would be abolished, but everyone—including the hon. Members for Hexham (Guy Opperman), for South Swindon (Mr Buckland) and indeed for Perth and North Perthshire (Pete Wishart)—must remember that no one won the last election. The Conservatives did not convince the electorate of the merits of their manifesto, nor did the coalition partners. That is why we have a coalition. The election result was not clear cut and no single party succeeded in convincing the electorate that they had a right to govern by itself. In that context, it would be reasonable to show a bit of humility in the proposals the Government make.

I have no objection to the Government choosing to abolish ID cards, but I do object to them seeking to penalise and punish those who bought cards in good faith. The electorate will remember all these grand speeches saying that those people do not count for anything and the derogatory remarks—although I am sure that they were made in jest—of the hon. Member for Perth and North Perthshire. Hon. Members should recognise that those people acted in good faith and it is not appropriate to penalise them.

We do not want to make a massive deal of this, but the Minister has had quite a lot of time to think about it. We are talking about a relatively modest amount of money, but the precedent it would set is very important. If the precedent is set that people will be punished if, after having acted in good faith by doing something that the Government of the day encouraged, it will cause paralysis in many other areas.

Mr Burley: The hon. Gentleman said that this proposal would cost a relatively modest amount, but does he have any idea how much it would be? The current cost of maintaining the present system, as we know from Committee, would be £50 million to £60 million over 10 years. Other hon. Members have suggested migrating the data to the Passport Service, but I have no idea what that alternative proposal would cost. Does the hon. Gentleman know what the cost of maintaining the system for 11,000 people would be?

Steve McCabe: Fortunately, I do not suffer from the voodoo economics of Conservative Members, so I do not have a clue where the hon. Gentleman gets the figure of £50 million or £60 million. We are saying that

there should be a £30 discount when the person who currently holds a card next applies for a passport. Under whichever education system hon. Members operate, they should be able to work the figure out for themselves.

I like and respect the Minister and I trust what he says, but clause 3 states that the information on the national identity register will be destroyed. It is fair to say that when this was discussed in Committee his knowledge of the technical detail of the register was almost as good as mine, and neither of us is likely to get a job with Bill Gates any time soon. We know from the information that was presented to the Committee that there is some doubt in Government and in Government organisations about what is meant by the national identity register. We cannot pass legislation in good faith and then discover that it cannot be implemented because the Minister has been asked to do something that he is not technically capable of doing.

I make this point for two reasons. First, since the election, my colleagues and I have listened to the grandstanding from the Government Benches about their civil libertarian credentials. That will work in the early months of government, when it is easy to run around saying that they are against speed cameras or DNA testing, but it will not work when they face constituents who have suffered and want to know why the Government are not on their side—*[Interruption.]* If the hon. Member for Perth and North Perthshire wants to come to the defence of his new-found friends again, I will give way.

Pete Wishart: I just wanted to give the hon. Gentleman an opportunity to say whether he is in line with the thinking of the right hon. Member for Doncaster North (Edward Miliband), who has said that the previous Government were too draconian on civil liberties. Is that an admission that the hon. Gentleman recognises?

Steve McCabe: Let me be blunt. I may find myself loyally serving my right hon. Friend the Member for Doncaster North (Edward Miliband)—who knows—but I am not against ID cards. Nor would I say that the previous Government, in the circumstances with which we had to deal, were draconian. We took the difficult decisions that were necessary, and there will come a time when Ministers in this Government have to come to the House to tell us what they are having to do to protect the public because of a deterioration in our security situation. It is easy to grandstand now, but tomorrow always comes—and what is said now may come back to haunt you.

It is all very well painting a bleak picture of the previous Government, but can the Minister tell us today how the information contained on the national identity register will be destroyed? He will know that in the evidence given to the Committee the chief executive of the UK Border Agency was not entirely clear what the national identity register was. Some people thought that it was to do with facial geometry, some thought it was not. Some people thought that it was to do with a Sagem algorithm, whatever that is, and others thought that it was to do with the Cogent algorithm. One person thought that it was "co-ordinated" and another said that it is not a box with everyone's name in it—I think we know that much.

I do not want to push the new clause to a vote, but is the Minister able to tell us today how he will comply with the requirements of clause 3? If not, will he agree to come back to the Chamber and report what has happened? The last thing that I want to do is be back here at some point in the future accusing Ministers of failing to comply with their own legislation.

Nigel Mills (Amber Valley) (Con): It is a pleasure, as always, to follow the hon. Member for Birmingham, Selly Oak (Steve McCabe). I have done it so often he might want a restraining order at some stage.

I understand the argument for why the people who foolishly bought an ID card should get some compensation—*[Interruption.]* I am not saying I support that argument, but I can see its logic. However, I struggle to see the logic behind the arguments for new clauses 2 and 4, one of which would, if I am right, see the existing cards be valid for nearly another 10 years. The other would provide for a discount, at some point during those 10 years, if someone applied for a new passport. I struggle to see, however, how having ID cards that are still valid in nine years and nine months would give those holding them the advantages they sought when they paid for them. Where would those ID cards be accepted as a proven form of identity? What is the risk that people could forge them? Would people struggle to tell the difference, if they did? Would people be able to travel around the EU using an ID card instead of a passport? I struggle to see how that would happen, and it would open up the door to a manner of identity fraud different from what we already have, so I cannot vote to keep it in place for the next 10 years.

The idea of credit against a passport is a better one, but again we would have the problem of having to keep the data for all that period. We would also have the problem of how to process that data. I presume that the easiest way would be that, when a person applied for a passport, they would have to send in their ID card to prove that they actually had one in the first place. Again, however, how would we deal with people who had changed their names, lost their ID card or found it useless for eight years until their passport renewal came round and had to dig it out from the bottom of a drawer somewhere? There would also be the risk that people might try to create fraudulent cards, meaning that someone would have to go back to the original list of people with ID cards for proof. And how would we handle the fact that not everyone actually had paid for their card? I accept that the proposal provides for that, but it means that someone would need a record of who had paid for their card and who had got theirs free.

With respect, therefore, I cannot see how we can vote for either of the two solutions. There is no way I can vote for either. Given some of the concerns raised by Opposition Members about the legal issues involved in scrapping ID cards without compensation, I would be grateful if the Minister could repeat the assurance he gave us in Committee that the Government had received solid legal advice that it is legal and will not be overturned at huge cost to the taxpayer resulting from the court proceedings subsequent to this process.

Julie Hilling: Hon. Members on both sides have been extremely rude to constituents of mine who have written to me about how they bought an ID card in good faith.

[Julie Hilling]

I assume that a lot of Members in the Chamber today were not part of the pilot programme in which constituents were able to buy ID cards. Had they been, perhaps they would also be speaking up on behalf of those constituents who bought ID cards but will not now get a refund. Those who have written to me are mainly pensioners and on a low income. They decided that they were only going to be travelling as far as Europe and that therefore an ID card was a good value alternative to paying the full amount for a full passport. These people are taxpayers.

Michael Ellis: May I ask how many of her constituents wrote to her about this?

Steve McCabe: Every vote counts!

Julie Hilling: Especially in a marginal.

I have received letters from about a dozen people in my constituency, and as I say, they are on low incomes and are taxpayers. Each of them entered into a contract with their Government saying, "I will purchase an ID card, and for that I will have the benefit of travel within Europe and other benefits, such as proof of identity, for 10 years." It is not unreasonable for those constituents to expect either to get their money back or to receive credit for it.

Nigel Mills: Will the hon. Lady confirm my understanding that those constituents will already have had a passport that they can use to travel to the same places?

3.15 pm

Julie Hilling: I will happily answer that question. The only people who prior to the election could get an ID card were those whose passport had recently expired. They were mainly elderly people who made a decision not to travel further than Europe, and they were mainly people who could not afford, or found it difficult to afford, the full cost of a passport.

Several Members have talked about how the message was loud and clear that the ID cards would disappear. My constituents are not fortune-tellers and could not say what the outcome of the election would be. In actual fact, they made their views clear by returning a Labour MP, so it is insulting to them to say that they should have expected the ID cards to disappear.

Mr Stewart Jackson (Peterborough) (Con): In all fairness, the hon. Lady should concede that it was almost unprecedented in all the polices taken through by the Labour Government for a break clause to be flagged up by the then shadow Home Secretary and others. That sent a very strong signal to commercial organisations that the current Government would not continue with the ID cards programme. I am not saying that all her constituents will be reading the trade press, or even the quality press, but it was clear that both the Liberal Democrats and the Conservative party had made manifesto commitments to abolish ID cards.

Julie Hilling: My constituents could not have foreseen at that point that there would be a Con-Dem coalition. How could they have known what would be in the coalition agreement, especially given that it does not bear much resemblance to the manifestos?

Catherine McKinnell: Does my hon. Friend agree that many of the constituents who have written to us and who we deal with, and who are concerned about not receiving any compensation, do not follow avidly the words of a shadow ministerial team? Largely, they are probably not interested in the pronunciations of a shadow ministerial team, but are busy trying to survive day to day on a state pension, to make ends meet, to get their shopping and to look after their grandchildren. They are not avidly following the intricacies of the position of the shadow ministerial team.

Julie Hilling: I thank my hon. Friend for making that point, because I agree with her absolutely.

If someone buys a service from the Government, of whatever colour, they would expect their Government to continue to provide that service, and if they did not continue to do so, they would expect to be compensated. That is the major point.

Ms Louise Bagshawe (Corby) (Con): I thank the hon. Lady for being so generous in giving way. I put it to her that her constituents ought to be complaining to the Labour party, which was in government at the time, because it was made clear to them that we would not be continuing with this scheme. The fault for the costs that her constituents have borne should rightly be laid with Labour Members and the Labour Front-Bench team. Is that not true?

Julie Hilling: The hon. Lady does not quite understand that my party, the loyal Opposition, does not have the power to make payments. If only we did. If only we had the power to say to those who bought identity cards, "We will reimburse this money."

Mr MacShane: Can we nail this extraordinary new constitutional doctrine that because a party thinks it is going to win an election, everything should come to a dead halt before the people have voted? I saw the shadow Home Secretary at the Great Eastern Tandoori restaurant in Pimlico the day after the election, except he was not to become the Home Secretary. Should he receive compensation? We really have to stop this nonsense. Power might have changed hands, but we should still accept responsibility and pay the compensation.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Members are getting carried away with interventions, and we ought to stick to the point. Mr MacShane should know better.

Julie Hilling: I remain absolutely convinced that my constituents deserve fair treatment. They deserve either to have the money refunded—sadly, this mean-spirited Bill does not allow that to happen—or for their identity cards to continue, although I accept that this might be difficult. The easiest thing would be to allow them £30 credit towards a passport.

People have talked about alternative means of identification, but I wonder whether those hon. Members who are present know how much they cost. All those alternative means of identification cost more than the identity card. Those who are disabled—for instance, those with a visual disability or other conditions—cannot get a driving licence; and indeed, if someone was never

going to drive, why would they apply for one? However, a driving licence is one of the few photographic means of identification that we have in this country. The identity card was therefore valuable as a tool with which people could prove their identity, which is becoming increasingly important and difficult to do nowadays.

Let me finish by saying that I believe that the Bill is mean-spirited. The Government should give £30 credit to those affected, and I very much hope that hon. Members will vote for that later.

Keith Vaz (Leicester East) (Lab): I have known you long enough to know that when you frown in the way that you have, Mr Deputy Speaker, you wish and expect short speeches from hon. Members. I therefore intend to be brief.

I came into the Chamber mindful of the Opposition amendment and with a view to supporting the proposal to pay compensation to those who have taken out voluntary cards. However, I have listened to what hon. Members have said, including the thoughtful speech by the hon. Member for Hexham (Guy Opperman). It is probably right that people should have been cautious in taking out a voluntary card, knowing that the policy was not carried in all parts of the House. However, it would have been better for the Government to pay the money back as a good-will gesture than for us to be fighting about £30 multiplied by 11,000 on the Floor of the House. I understand that the principle is important, and I say to my hon. Friend the Member for Bolton West (Julie Hilling) that the 12 constituents and others who may have written to her are obviously deeply concerned. Perhaps £30 is not a lot to some people, but it is certainly a great deal to the constituents whom she mentioned.

Catherine McKinnell: Just to clarify whether £30 is a significant amount, in fact, we are not talking about £30; we are talking about the additional £50 that will be required to get another valid form of identification. An extra £50, making £80 in total, is a lot of money for some people, and particularly for pensioners, who have to save for some time to afford it.

Keith Vaz: I agree with my hon. Friend: it is a lot of money for some people, but it is not clear whether there is a huge point of principle, based as it is on the fact that people were clear that identity cards were an absolutely partisan policy on the part of the previous Government. Only my hon. Friend the Member for Walsall South—

Mr David Winnick (Walsall North) (Lab): Walsall North—the hon. Member for Walsall South (Valerie Vaz) is your sister.

Keith Vaz: I thank my hon. Friend for reminding me—I think I just about know the difference between my sister and my hon. Friend, who was so often the conscience of the Select Committee on Home Affairs when it considered the issue in the previous Parliament. We accepted that the previous Government had an absolute right to put through their legislation on ID cards. It was only my hon. Friend who reminded the Committee on so many occasions that he thought that the policy was wrong.

Mr Winnick: As for the previous Government, obviously there was controversy among Labour Members on the subject—it would have been odd if that were not so—but does my right hon. Friend not agree that the original idea for identity cards came from Michael Howard, when he was the Home Secretary in, of course, a Conservative Administration?

Keith Vaz: I cannot say for certain, but my hon. Friend is wiser and has been in this House for longer than me, so if he quotes Michael Howard from a few years ago, I accept what he says.

Mr Jim Cunningham (Coventry South) (Lab): I certainly agree with my hon. Friend the Member for Walsall North (Mr Winnick): Michael Howard had a proposal for something called the smart card. He tried to get it through this House, but he could not do so.

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Let me remind hon. Members that we are discussing new clause 2. These points are not relevant. I am sure that you will wish to return to the new clause, Mr Vaz.

Keith Vaz: Unfortunately I did not know about those points until they were made. Had I known that they would be raised, I would not have given way. However, as you say, Mr Deputy Speaker, this is not a debate about Lord Howard; it is a debate about new clause 2.

Although I came into the Chamber wanting to support those on my Front Bench—and I still want to, because I have great respect for my hon. Friend the Member for Hackney South and Shoreditch (Meg Hillier), who was a superb Minister, appearing many times before the Home Affairs Committee on identity issues, including the cost of identity cards and their implementation—I am probably minded to abstain if there is a vote.

I understand that the Minister has written to—*[Interruption.]* Let me say to my right hon. Friend the Member for Rotherham (Mr MacShane), for whom I have enormous respect and affection, that I do not think that what is proposed is the equivalent of the nationalisation of British Steel, with the Government moving in to take away somebody else's property, including his own. As the Minister said, the card that my right hon. Friend is waving before me is the property of the Government. However, that is a side issue. I understand that when he makes his point, he comes from the steel capital of Britain, but we are not talking about the nationalisation of British Steel.

Mr MacShane: I am grateful to my right hon. Friend—for whom I worked as a Parliamentary Private Secretary for many happy years—for giving way. I would be quite happy to concede the financial point if the Government were prepared to cut a deal and let me keep the card until it expired. That seems quite reasonable, because it is a European card. Every time I have used it to go through airports in the past three months, people have said, "Ooh, that's a good idea! The Brits are becoming like us." Well, thanks to the coalition, now we are not.

Keith Vaz: Let me say to my right hon. Friend, the former Minister for Europe—

Chris Bryant (Rhondda) (Lab): We have a set of former Ministers for Europe in the Chamber.

Keith Vaz: Indeed. Let me say to my right hon. Friend the Member for Rotherham (Mr MacShane) that he is the last person who needs an identity card to get into France. He is probably the only former Minister for Europe to be fluent in half a dozen European languages. His very face is sufficient to get him into the European Union.

Mr MacShane: But we are in the European Union.

Keith Vaz: I meant the mainland European Union.

Anyway, before this becomes a debate about the European Union, let me say that I shall abstain on new clause 2. However, I am attracted to amendment 8, which stands in the name of my hon. Friends the Members for Birmingham, Selly Oak (Steve McCabe) and for Houghton and Sunderland South (Bridget Phillipson), and not just because they are distinguished members of the Home Affairs Committee, as the hon. Member for Cannock Chase (Mr Burley) is, but because there is a lot of merit in what they say. The Minister should take amendment 8 seriously. I do not know whether my hon. Friends will push it to a vote, but the destruction of the data is an important issue.

When I raised this matter on the Floor of the House, following the Home Secretary's announcement that ID cards were to be abolished, either she or the Minister—I cannot be sure which—said that there would be a huge event in which all the data would be destroyed. I think that it was said, perhaps playfully, that there would be a big bonfire, and that Members of the House would be invited to attend such an event. I know that that was meant in jest, but this is a serious point.

I support what the Government are doing to remove the names of innocent people from the database. That is absolutely a move in the right direction. The hon. Member for Perth and North Perthshire (Pete Wishart) asked whether the previous Government had lost their way on civil liberties issues, and I would say that we did a little, partly because of a lack of scrutiny by this House, rather than through any intent on the part of the Government. We should have been better at scrutinising legislation.

I hope that, when the Minister responds, he will give us a clear statement on how the data are to be destroyed. My hon. Friends who have tabled amendment 8 have proposed a time limit of four months, within which a statement must be made to the House. I do not believe for one moment that that is an unreasonable request. I hope that the Minister will give my hon. Friends the assurances that they seek. This is not a huge issue, but it goes to the heart of what the coalition Government say that they are going to do with these data. We must not keep the data unless it is absolutely necessary to do so, and I hope that he will give some comfort to my hon. Friends, and an assurance that the data will be destroyed within four months.

3.30 pm

Mr Stewart Jackson: It is always a pleasure to follow the right hon. Member for Leicester East (Keith Vaz), although he lapsed from his usual urbanity and eloquence when he did not recognise the difference between his charming sister and the hon. Member for Walsall North (Mr Winnick)—

Mr Winnick: Who is also quite charming.

Mr Jackson: That goes without saying.

I am quite fond of the hon. Member for Birmingham, Selly Oak (Steve McCabe), but he rather over-egged the pudding. Let us remember that it was his Government who gave us 90-day detention without trial. In 2005, they told us that it was imperative that we force through that measure, disregarding hundreds of years of close attention to civil liberty and due process. They were then humiliated in an unprecedented vote—given that they had a 66-seat majority—and the proposal went down to 42 days.

Mr Winnick: The hon. Gentleman is wrong. The previous Government did not give us 90 days. That proposal was defeated by the House of Commons.

Mr Jackson: It was indeed defeated, by one vote, because of the good sense of many of the hon. Gentleman's colleagues on the then Government's side who saw that it would not be sensible to traduce the British traditions of liberty and fairness on the back of a scare campaign from some people who were taking an authoritarian, draconian approach. To be fair and open-minded, as I aspire to be, I should say that the debate went on in my own party as well. Some Conservatives took the view that we should be tough on law and order, and that we should do the right thing and support the then Prime Minister. A small number of my colleagues voted for that proposal. I must not perambulate too far from the new clause that we are debating, but we must bear in mind that context as we listen to Labour Members' arguments about civil liberties today. The hon. Member for Perth and North Perthshire (Pete Wishart) was absolutely right to say that, until that point, there had been a fine tradition in the Labour party of support for civil liberties.

Steve McCabe: I want to ask the hon. Gentleman, whom I respect, whether the best symbol of a Government's faith in civil liberties is their support for a phone hacker in No. 10 and a Minister who spies on his own colleagues and friends—

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. The hon. Member for Peterborough (Mr Jackson) should carry on with the debate on the new clause.

Mr Jackson: I shall defer to the good sense of the Deputy Speaker and pass over those issues. I am mindful, of course, that the hon. Member for Birmingham, Selly Oak has worked in the Whips Office, and that Whips are a bit more bare-knuckled in debates than some others. I shall move swiftly on.

I want to talk about authority and establishing one's policies before an election. I made the point to the hon. Member for Bolton West (Julie Hilling) that—

Mr Deputy Speaker: Order. We are discussing new clause 2, and the hon. Gentleman must speak to that.

Mr Jackson: By a circuitous route, Mr Deputy Speaker, I shall speak to that new clause—

Mr Deputy Speaker: Order. It might be helpful to the hon. Gentleman to know that he can talk about these matters on Third Reading, if that is the route that he wishes to take. If he could just speak to new clause 2 now, that would be much better.

Mr Jackson: I shall speak specifically to the proposal about compensation, Mr Deputy Speaker. Please forgive me if I meandered somewhat.

There is, of course, precedent for a party being elected, putting a programme forward and sticking to its manifesto commitments without paying compensation, even at a modest level. For instance, one has to think only of the assisted places scheme, a windfall tax on utilities or the national minimum wage—they all had fiscal ramifications, but the Conservative party in opposition did not insist that there was any necessity to make specific compensation to specific groups.

Steve McCabe: On a minor point, this new clause is not asking for compensation per se; it asks for a reimbursement of £30 only for those who subsequently apply for a passport. It is designed to right a wrong; it is not a general request for compensation.

Mr Jackson: The substantive general point, which the hon. Gentleman does not want to concede, is that what is happening is a direct result of a new Government who with their coalition partner have a mandate to take a decision that has fiscal ramifications through new legislation. My point is that the precedent has been set in the past for new legislation having financial ramifications; it will inevitably affect some groups of taxpayers and voters, but the Government will not see fit to compensate them in a particular way, even on a modest scale.

Of course it is regrettable that some of the constituents of the hon. Member for Bolton West will be in a difficult position as a result of the decisions made, but I come back to the point that the two parties that form this Government won 60% of the vote on an unequivocal commitment to abolish identity cards, whereas the party that was unequivocally in favour of them comprehensively lost the election on 6 May. Although only a modest amount of money is involved, the amendment is inappropriate, particularly during a time of less than benign financial circumstances when we need to reduce the deficit.

Grahame M. Morris (Easington) (Lab): Thank you, Mr Deputy Speaker, for allowing me to contribute to the debate.

Labour Members fully understand that repealing the Identity Cards Act 2006 and scrapping ID cards was a manifesto pledge of both the Conservative and the Liberal Democrat parties and that they are fulfilling a pledge to the electorate on this issue. In fact, I think this is one of the few actions taken by the coalition Government that can claim at least some sort of mandate from the public. I add, however, that Labour was elected in 2005 with a manifesto pledge that stated:

"We will introduce ID cards, including biometric data like fingerprints, backed up by a national register and rolling out initially on a voluntary basis as people renew their passports."

That was the manifesto basis on which the decisions were made.

The current Government have taken the scheme in its infancy and killed it off before it has even had a chance to prove itself—in terms of finance, security, issues of identity theft, protection and, indeed, popularity, or any other measure of its worth. As we learned in Committee, the Government have their arguments, but in my view their reasons for revoking ID cards are weak, mean and, most important of all, costly to the taxpayer. In Committee, the Minister for Immigration stated that he was committed to abolishing identity cards

"because it was—and, until the Bill is enacted, is—an expensive and misguided scheme." [*Official Report, Identity Documents Public Bill Committee*, 1 July 2010; c. 43.]

That assertion is, I contend, completely wrong and misguided. The ID card scheme will become more expensive as soon as the Bill is enacted because the expenditure has already been incurred in setting up the scheme—on infrastructure, computer software and so forth. Furthermore, recovering that money relies on allowing the ID card scheme to continue. Conservative Members should remember that the expenditure was incurred subsequent to a manifesto commitment by the previous Labour Government.

I do not want to dwell on the motives behind the Bill, and I suspect that the motives of Liberal Democrats are completely different from those of Conservative supporters. It is clear, however, that Conservative Members base their opposition to the ID card proposals on a false premise.

Heather Wheeler (South Derbyshire) (Con): I assure the hon. Gentleman that those who write to me in my constituency are asking me to scrap the ID legislation as quickly as possible, purely on the grounds of civil liberties. I find it astonishing that there can be any debate about this for much longer. Indeed, a number of people have suggested that we should wind up the debate immediately, although obviously a good many Members want to continue it. I have not received a single letter asking me

Mr Deputy Speaker (Mr Nigel Evans): Order. The hon. Lady's intervention is far too wide of what we are discussing at the moment.

Grahame M. Morris: I do not think that the Government's arguments have been effective. Aspects of the scheme deserve to be retained, and they are embodied in the new clauses and amendments. Clause 2 states:

"All ID cards that are valid immediately before that day are to be treated as cancelled by the Secretary of State at the end of the period of one month beginning with that day."

In Committee, the Minister stated proudly that this was the Government's first Bill. I am astonished that he can be pleased with himself, given that this first Bill from the new Government breaks a contract that was established between citizen and state. As was pointed out by my hon. Friend the Member for Bolton West (Julie Hilling), people put their faith in the Government and bought ID cards. They entered into that contract on a voluntary basis—there was no element of compulsion—and I believe that they have been let down sorely and spitefully by the Bill and the Government. The Government's behaviour is illogical, unfair and frankly unnecessary.

Hon. Members have suggested various reasons why people may have decided to invest in ID cards. The need to protect their identities must have been a major concern, as identity theft is a huge problem that costs the economy billions of pounds and causes individuals untold stress and suffering. They may simply have wanted a more versatile method of identification—Labour Members

[Grahame M. Morris]

have given some excellent examples of that—or even a proof of age. Whatever their reasons, they entered into a contract, and that contract should be honoured, but the coalition Government are tearing it up, and people who acted in good faith can justifiably feel let down.

Members on the Government Benches have argued that it might have been reasonable for people to expect ID cards to be scrapped if the Tories won power. That applies to the Liberal Democrats as well, as it was in their manifesto. But should we really be sending the public the message that they should not take too much notice of what the current Government say, because the next Government may say something different? That is a dangerous message to send.

Pete Wishart: I know that the hon. Gentleman is already a very assiduous constituency Member of Parliament. When constituents asked me about ID cards before the last election, I gave them clear advice: I advised them not to obtain ID cards, because they were too controversial and might be rescinded. What would the hon. Gentleman have said if a constituent had asked his advice about ID cards, given that they were so contentious?

Grahame M. Morris: That is dangerous territory, which we explored earlier today and in Committee. If that principle is to be applied to what a Government may do, should it be applied to nationalisation without compensation? Is that the logic of the argument?

The decision to terminate existing and operational ID cards one month after Royal Assent—I assume that the Bill will be passed today—with no compensation for those who have purchased cards is not only shameful, but a travesty. I mentioned that Labour had made a manifesto pledge to the public, and that the public had returned Labour to government in 2005. We implemented a scheme allowing a citizen to receive, for a £30 fee, a card that would expire in 10 years. For the current Government to come to office and turn that system on its head without consideration for those who participated in the scheme on a voluntary basis, and had handed over their money in good faith, strikes me as a complete dereliction of duty that sets a dangerous precedent for the future.

3.45 pm

Guy Opperman: The hon. Gentleman talks about this being a dereliction of duty, but this is a scheme costing billions of pounds for barely 12,000 people that was trotted out in circumstances where there was no prospect of it being taken up.

Grahame M. Morris: The scheme is in its infancy and, essentially, it was marketed in only two areas—Manchester and London. It would have been rolled out further and then, presumably, have had much greater appeal. There is an interesting contradiction: the big corporate interests who were involved in this scheme were paid compensation, but no recompense is to be made to ordinary citizens who paid £30 for a card.

My hon. Friend the Member for Newcastle upon Tyne North (Catherine McKinnell) mentioned the £30 figure. It may seem a trifling sum to some Members, but for a great many people, including many of my constituents, it is a considerable amount of money. There has been some discussion of why individuals on low incomes might have chosen to spend such a sum on an ID card, and whether many did so. We must consider the fact that alternative forms of identification are more expensive—for example, a provisional driving licence is an accepted form of ID commonly used by younger people as proof of age and it costs £50. There is a cost reason that led some people voluntarily to choose to buy an ID card, therefore. People on lower incomes who needed to prove their age would naturally be inclined to opt for an ID card, but whether the person who bought the card was on a low income or a millionaire is, in fact, irrelevant because the behaviour of this Government in not addressing the unfairness and injustice contained in the Bill is deplorable.

I cannot see why the cards that have already been issued cannot in some way remain valid until their expiry date. The parties in the coalition Government have only a handful of policies on which they truly agree and I accept that not continuing with the ID card is among them, but not enough care has been given to reimbursing cardholders or to making some attempt to maintain already issued cards, perhaps with some reduced functionality. There remains a database for passports, and this card could perhaps, at least in some way, remain an authenticated identification document. Did the Minister seek any advice on possible functions for the already issued cards, or was he content just to allow them to fall? There seems to me to be no reason why the cards cannot remain valid until the expiry date.

The Government are abandoning ID cards without any concern for the expenditure that has already been incurred by the taxpayer or any consideration for current ID cardholders, and with little thought for the future of British passport security and the use of biometric data. The Minister has had every opportunity to address the issues Opposition Members raised in Committee, and it is a shame that he was unable to work with us, at least to try to improve some aspects of the Bill.

Damian Green: We have heard a festival of synthetic indignation from Labour Members over the past hour or so. We know they do not mean it because they did not even vote against the Bill on Second Reading, so they do not oppose it very hard. They are scratching around to find ways to express some opposition.

As has been amply illustrated by the hon. Member for Perth and North Perthshire (Pete Wishart), there are, however, some glimmers of light in the authoritarian dark that was the Labour Government. One or two of the leadership candidates, including the right hon. Member for Doncaster North (Edward Miliband), have said the previous Government were wrong about ID cards. The right hon. Gentleman says he thinks his party should move on from that idea. As that has been stated several times during the debate, I feel it is only fair also to record—

Steve McCabe: Will the Minister give way?

Damian Green: I will in a moment, after I have paid tribute to the hon. Gentleman's colleague, the hon. Member for Hackney North and Stoke Newington (Ms Abbott), who has consistently been against identity

cards. As we are mentioning the Labour party leadership candidates who are virtuous in this regard, I should mention her too, because no Labour Member did.

Steve McCabe: I hate to interrupt the Minister when he is in such fine flow, but I just want to suggest to him that he has misunderstood our position. This is not synthetic indignation and nobody on our side is rejecting the Government's right to abolish ID cards—in fact, a number of us have acknowledged it. We are objecting to the mean-minded attitude that sets out to punish the relatively small number of people who bought ID cards in good faith.

Damian Green: The hon. Gentleman made that point, with characteristic eloquence, in his speech, and I will address it shortly. I am pleased to report to the House that, as those who sat through the Committee stage will be aware, the Labour party has come up with no new ideas to defend the ID cards scheme since then; we have heard all these arguments before.

This group of amendments, which groups together all the arguments that the Opposition can make against the Bill, is a series of impractical and expensive suggestions, made, I suspect, with varying degrees of seriousness. If I were to be kinder than I have been up to now, I might say that some of them may excite genuine feelings among Opposition Members, but others have been tabled for the sake of it.

First, I shall deal with the point raised by the hon. Member for Bolton West (Julie Hilling) and repeated by the hon. Member for Birmingham, Selly Oak (Steve McCabe) about refunds or passport-related refunds. We debated this extensively in Committee, and I recognise that £30 is a significant sum to many people, particularly those who are struggling economically in these difficult times, when the Government have had to absorb a terrible economic inheritance from their predecessor.

I do not have any data on the socio-economic status of the very small number of people who bought ID cards, nor, as far as I am aware, do any Labour Members. Before anyone stands up to ask me about this, I shall say that I do not propose to waste any public money by undertaking a survey of who they are. There are times when even those in this House need to step back and apply some common sense to the matters before them. I do not think that anyone in really difficult economic and financial circumstances would have thought, "What is the best thing to spend £30 on this week? I know, a very controversial ID card that will enable me to travel to Europe, but not anywhere else in the world. That's the most important thing to spend my last £30 on." I do not believe that one person in this country took that decision, and I have heard nothing from those on the Opposition Benches during our discussion of this Bill to convince me that that is any way a realistic proposition.

I further point out to the hon. Member for Hackney South and Shoreditch (Meg Hillier), who leads for the Labour party on this, that the charging system for ID cards introduced by her Government took no notice of the ability to pay. It set a flat fee, which took no account of whether someone was unemployed, an old-age pensioner or in full-time employment, like the right hon. Member for Rotherham (Mr MacShane). Sadly, he is no longer in his place, but he was asking us whether he should have claimed for his ID card on expenses. I would have thought that, at the time, that would have been a seriously terrible idea.

The only exception made on this flat fee of £30 that these allegedly struggling people were paying was for those who were in employment and working at one of the airports, where the then Government were anxious to foist the scheme on people in its early days. Anyone in that position would have been one of the 3,000 or so who were given a card free of charge. Those 3,000 lucky people—all, by definition in full-time employment—represent almost 20% of those to whom any card was ever issued. Of course, those cards were paid for by the taxpayer, so when one actually looks behind the indignation expressed by Labour Members, one does not find any substantial argument on this, which they have made the main point of their attack on this Bill.

The Government inherited an ID card scheme that has found very little favour with the public. That is a key issue. Many Opposition Members have talked about the costs, and the hon. Member for Easington (Grahame M. Morris) advanced the extraordinary proposition that even though he accepted that the coalition Government had the perfect right to get rid of the ID cards scheme, we should have carried on with it because the longer it went on the further the costs would be spread. That seemed to me an extraordinary attitude to parliamentary democracy. This is a key issue as the taxpayer has already paid £292 million with fewer than 15,000 cards having been issued—20% of them paid for by the taxpayer. So the calculation at the moment is that the cost to the taxpayer so far is about £20,000 per card. If we exclude the cards issued free of charge, it is £25,000 per card. That is by any standards a scandalous waste of public money that lies squarely at the door of Ministers in the previous Government.

The argument has come from the hon. Member for Easington that the scheme would have become self-financing over time. Based on public demand, there is no evidence to support that, particularly when the cost report in 2009, produced by the Labour party when it was in government, showed that a further £835 million was to be spent on ID cards by 2019, either by the taxpayer or by individual citizens having to sign up for those cards.

In the light of those facts and the already excessive spending of taxpayers' money on an unpopular and deeply intrusive scheme, we have proposed this Bill. That is why we opposed ID cards in opposition and why we have introduced this Bill so quickly. We do not see why the taxpayer should have to pay yet again. During the debate, several of my hon. Friends asked how much the cancellation would cost, and the answer is about £400,000. As I have illustrated, enough has been spent on the scheme and the taxpayer should not face a further bill of the best part of half a million pounds. That is why we have been clear that refunds will not be offered.

Julie Hilling: How much would it cost the taxpayer, though, if people had a £30 credit when they applied for their passports? Why would it be costly?

Damian Green: As a practical point, the vast majority of people who have bought ID cards already have passports, so it would be entirely valueless to them.

[Damian Green]

There are practical difficulties with the amendment. It would require the keeping of identity card records for many years to come to ensure that only those who were entitled to a refund could apply for one. I shall come on to the point made by the hon. Member for Birmingham, Selly Oak about the destruction of data, but we have made it very clear that we will destroy all the data obtained under the ID cards scheme and that we do not wish to retain any data for this reason or for any other.

I observe in the group of amendments that we are discussing that the twin threats are unnecessary data retention and cost to the taxpayer. Those are the two things that Labour Members who proposed the amendments seem to be concerned about. I assume that new clause 4 is intended to be helpful in avoiding the need for an individual to provide further personal information in the event that they should subsequently apply for a passport. The hon. Member for Houghton and Sunderland South (Bridget Phillipson) is, I am sure, aware that, as I have just said, the vast majority of ID cardholders are or were passport holders, so the information relevant to a passport application will already be held on passport records.

In any case, the proposed new clause misses the point of the Bill. The Identity Documents Bill is about scrapping the ID card scheme and destroying the national identity register. We are opposed to the register in principle on the grounds that it is a database holding huge amounts of personal and biometric data simply because a person has applied for an identity card. We do not believe that holding the data is either necessary or proportionate for the purpose for which they were obtained. Instead, it represents a significant intrusion by the state into the lives of our citizens. That is why we are looking to destroy all the information recorded on the NIR. Officials are currently finalising work with contractors on how that will be achieved and the Information Commissioner's Office has been notified of the destruction process.

4 pm

Keith Vaz: That is very reassuring, but in his mind and that of the Home Secretary is there a time scale by which this should be done? We appreciate that contractors have been instructed, but has the Minister said that the Government would like that done in a certain number of months?

Damian Green: It would be slightly premature for me to give too much detail now because the legislation has not been passed. We have tried to be as clear as possible in saying that we will do it as quickly as possible after the Bill has passed through all its stages, but I do not wish unnecessarily to annoy or provoke the other place by saying anything else.

Steve McCabe: Can the Minister give the House a categorical assurance that all the information will be destroyed within two months of the Act passing?

Damian Green: The hon. Gentleman has ingeniously asked the same question as his right hon. Friend the Chairman of the Home Affairs Committee, to which I shall therefore give exactly the same answer, or revert to an old parliamentary phrase and refer him to the answer I gave some moments ago. We are in contact with the Information Commissioner's Office about the destruction process, as I have said, precisely to ensure transparency and openness about the physical destruction process.

The Chairman of the Committee made the point that I had jokingly suggested that we might have a sort of auto-da-fé of all that unnecessary information. I was only half joking when I said that and, sadly, it is not possible because the information is on various databases, so we are going to have to delete it. To answer the hon. Member for Birmingham, Selly Oak's technical question, that is like any other act of removing information and involves deleting it from the various databases. That is why we are doing it in conjunction with the Information Commissioner. The hon. Gentleman is waving the Bill at me, so I will say that it must be done within two months of Royal Assent. The reason I cannot give the exact answer that the Chairman of the Committee wants is simply that I do not know when Royal Assent will be, but I hope that it is soon. We will then do it as soon as possible within the two months set out in the Bill. I hope that reassures the hon. Member for Birmingham, Selly Oak. There is a serious point here: if one believes, as we on the Government side do, that this information has been held unnecessarily, it is sensible to get rid of it as soon as possible, and Parliament needs to know about that.

Steve McCabe *rose—*

Damian Green: Let me anticipate what the hon. Gentleman is about to ask. It has always been my intention that when that had happened, Parliament would be informed by way of a written ministerial statement about both the process and delivery of destruction. I could not be more open or transparent about this. We will do it within two months and as soon as possible after Royal Assent. When we have done it, I shall produce a written parliamentary statement that will say not only that we have done it but how we have done it. I hope that I have finally satisfied the hon. Gentleman on all those points.

On new clause 4, I suspect that hon. Members may not have considered its cost implications. There are significant costs associated with establishing whether a person wants their record to be retained, what information he or she is content to be transferred, the security and data transfer costs and, finally, future storage costs—particularly if the person does not subsequently apply for a passport. I am afraid that this is another amendment that seems intent on adding again and again to the cost of the ID card scheme. We want to scrap the scheme at minimal cost to the taxpayer. The new clause would not achieve that aim and would not remove the state's ability to retain data without good reason.

That profligate approach is evidenced in another of the amendments before us, supported by the hon. Member for Houghton and Sunderland South. We covered the issue of the life expectancy of the card during earlier stages of the Bill and indicated then that the cost of implementing that amendment would be between £50 million and £60 million over 10 years.

I note that the hon. Member for Hackney South and Shoreditch has not added her name to the provision, despite tabling something similar in Committee. She indicated in Committee that she thought that figure was at the top end of the estimates, but I am not sure of the

basis on which she reached that conclusion. The estimate is a reasonable reflection of the exorbitant cost to the taxpayer that would be incurred by providing a service over the next decade for fewer than 15,000 people, almost 3,000 of whom did not pay for their card in the first place. Leaving aside the cost, the proposal would mean retaining the whole national identity register for another decade, which would involve holding the fingerprints of 15,000 innocent people.

Meg Hillier: I wonder whether the Minister is speaking to the right provision because my name is attached to the amendment, as it has always been.

Damian Green: I apologise to the hon. Lady. If she wishes to associate herself with such a ridiculous proposal, I am happy for her to do so.

The proposal would mean that cardholders would run the risk of their card's usefulness diminishing even further over time because of the very small number in circulation. That would be likely to result in little or no future engagement or investment by travel operators, carriers and other agencies in accepting ID cards. The provision would give cardholders the false hope that their ID card would continue to be useful, if they had found it useful in the past. I recognise that the amendment to retain the national identity register has been tabled as a consequence of the proposal that ID cards should remain extant for 10 years.

The national identity register sits at the heart of our opposition to the whole scheme. We do not believe that it is the role of the state to gather huge amounts of personal and biometric information about its citizens unless there are proportionate and necessary reasons for doing so. Such reasons could involve the prevention and detection of crime, or national security and safety, but part of the underlying problem with the ID card scheme has always been that its purpose was ill defined, with the reason behind its introduction moving over time from dealing with terrorism to accessing local services.

The national identity register is nothing but a database containing data on individuals who have, by choice, applied for an ID card. The holding of such data represents a significant intrusion on the privacy of the individual. Scrapping the scheme and destroying the national identity register are major steps towards returning power to the public and reducing the intrusion of the state. We are opposed to building up banks of data that neither serve a specific purpose nor deliver a specific outcome. The national identity register fails on both counts.

I have dealt in some detail with all the new clauses and amendments tabled by Labour Members. Each of them fails on practicality, and many of them fail because they would create an extra charge on either the public purse directly, or the citizens of this country indirectly. They all fail, however, because behind them lies the desire to intrude far too much on the private lives of people that was at the heart of the previous Labour Government. As a civil libertarian, I genuinely hope that the future Labour party will reject that in its entirety.

Meg Hillier: I was puzzled by the Minister's speech because it sounded more like a rallying cry to a group of students than an attempt to address the new clauses and amendments. I should say, however, that I have no problem with rallying cries to groups of students in their place. In fact, not long before the election—when the Minister and I sat on opposite sides of the House—we addressed students together, and he announced that a Conservative Government would remove ID cards to an audience of about 25 people.

Let me make it absolutely clear that we tabled new clauses 2 and 4 as alternatives for the Government to consider as we try to find a way of providing some recompense to those members of the public who bought the cards in good faith. We would have preferred to have tabled a measure providing for a refund but, because there is no money resolution attached to the Bill, we could not. With that in mind, we intend to press both new clauses to Divisions, although if the first is agreed to, we will not need a vote on the second.

I need to pick up on a couple of points that the Minister made. We were not suggesting in the amendments—perhaps he should look more closely at them—that we expect the national identity register to continue. They were carefully worded to suggest migration of data to the existing passport database. In fact, the identity register would have been a modern passport database, had the Government had the courage to continue that approach.

New clause 4 is not about being helpful to those who already had passports or wanted a passport. It would allow cards to continue, but would attach them to the existing passport database. Accepting that the Government's intention is to destroy the national identity register, it sought to find a solution to that. The Minister has not given very good answers about why that could not be done. Had the Government included a money resolution, it would have been possible—instead of sending two letters out to everybody—to provide a refund to those who had paid or those who had applied for a refund, which would not necessarily have been everybody. The Government's approach is mean-spirited.

The Minister spoke about the state holding huge amounts of information. I hope that his Government still believe that the NHS should hold information on people, that the Driver and Vehicle Licensing Agency should hold information, and that the passport database should exist. The national identity register was a modernisation of the passport database.

I assure the House and anyone else who may be watching proceedings today that there is nothing synthetic about our indignation. We recognise that both Government parties had clear policies on the issue, and we can do the maths. We know that we have limited options to improve the Bill, and we are trying to make the best of a bad job because the Bill does many things of which we disapprove. New clauses 2 and 4 attempt to provide some recompense to the people affected.

We have heard some disparaging comments. The hon. Member for South Swindon (Mr Buckland) spoke about politics being tough. It is clear that his Government are saying that it is tough on members of the public who bought a card. The hon. Member for Perth and North Perthshire (Pete Wishart) spoke about the mugs who bought a card. That disparaging attitude may well be reflected in the Lobby, so let us be clear who is on the side of the consumer in this case. It is certainly not the Government.

[Meg Hillier]

The Minister used his cod maths when talking about the cost of the identity card scheme. It does not behove a Government Minister to be so flippant and free with figures when he well knows that the cards had to be paid for by fees. As is the case with the first issue of anything, when the first Mini rolled off the production line, it probably cost several million, if not billions of pounds, but for the last Mini, by definition, the cost per item was much lower because many thousand would have been produced. Identity cards had been issued for a few months at the time of the general election, but under Treasury rules they had to be paid for out of fees, just like passports, as the Minister knows. It ill behoves him to take that approach. I wish to divide the House on the new clauses.

Question put, That the clause be read a Second time.

The House proceeded to a Division.

Mr Deputy Speaker (Mr Nigel Evans): I ask the Serjeant at Arms to investigate the delay in the Aye Lobby.

The House having divided: Ayes 189, Noes 302.

Division No. 63] **[4.13 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Allen, Mr Graham
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Brennan, Kevin
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Ronnie
Clark, Katy
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cryer, John
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Healey, rh John
Hendrick, Mark
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Illsley, Mr Eric
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Lammy, rh Mr David
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
Lucas, Caroline
MacShane, rh Mr Denis
Mactaggart, Fiona
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Miliband, rh Edward
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Owen, Albert
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Qureshi, Yasmin
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Riordan, Mrs Linda
Roy, Mr Frank
Roy, Lindsay
Ruddock, rh Joan
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lyn Brown and
Mr Dave Watts

NOES

Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen

Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert
Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Lorely
Byles, Dan
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kennedy, rh Mr Charles
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lloyd, Stephen
Llwyd, Mr Elfyn
Lord, Jonathan
Loughton, Tim
Luff, Peter
Lumley, Karen
MacNeil, Mr Angus Brendan
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCrea, Dr William
McIntosh, Miss Anne
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Angus
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, David
Skidmore, Chris
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vara, Mr Shailesh
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Watkinson, Angela
Webb, Steve
Weir, Mr Mike
Wharton, James
Wheeler, Heather
Whiteford, Dr Eilidh
Wiggin, Bill
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wishart, Pete
Wollaston, Dr Sarah
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Miss Chloe Smith and Jeremy Wright

Question accordingly negatived.

New Clause 4

TRANSFER OF INFORMATION FROM NATIONAL IDENTITY REGISTER TO IDENTITY AND PASSPORT SERVICE

'The Secretary of State must ensure that any information recorded in the National Identity Register which—

(a) relates to a person ("P") who has indicated that P wishes to retain P's identity card until its expiry date, and

(b) is relevant to an application by P for a passport,

is transferred to the Identity and Passport Service.'.—*(Tony Cunningham.)*

Brought up, and read the First time.

Question put, That the clause be read a Second time.

The House divided: Ayes 193, Noes 311.

Division No. 64] **[4.29 pm**

AYES

Ainsworth, rh Mr Bob
Alexander, rh Mr Douglas
Allen, Mr Graham
Austin, Ian
Bailey, Mr Adrian
Bain, Mr William
Balls, rh Ed
Banks, Gordon
Barron, rh Mr Kevin
Beckett, rh Margaret
Bell, Sir Stuart
Benn, rh Hilary
Benton, Mr Joe
Berger, Luciana
Blenkinsop, Tom
Blomfield, Paul
Blunkett, rh Mr David
Bradshaw, rh Mr Ben
Brennan, Kevin
Brown, rh Mr Nicholas
Bryant, Chris
Buck, Ms Karen
Burnham, rh Andy
Campbell, Mr Alan
Campbell, Mr Ronnie
Clark, Katy
Clarke, rh Mr Tom
Coaker, Vernon
Coffey, Ann
Connarty, Michael
Cooper, Rosie
Cooper, rh Yvette
Corbyn, Jeremy
Crausby, Mr David
Creagh, Mary
Creasy, Stella
Cruddas, Jon
Cunningham, Alex
Cunningham, Mr Jim
Cunningham, Tony
Curran, Margaret
Dakin, Nic
Danczuk, Simon
Darling, rh Mr Alistair
David, Mr Wayne
Davidson, Mr Ian
Davies, Geraint
De Piero, Gloria
Denham, rh Mr John
Dobbin, Jim
Dobson, rh Frank
Donohoe, Mr Brian H.
Doran, Mr Frank
Dowd, Jim
Doyle, Gemma
Dromey, Jack
Dugher, Michael
Eagle, Ms Angela
Eagle, Maria
Efford, Clive
Elliott, Julie
Ellman, Mrs Louise
Engel, Natascha
Esterson, Bill
Evans, Chris
Farrelly, Paul
Field, rh Mr Frank
Flello, Robert
Flint, rh Caroline
Fovargue, Yvonne
Francis, Dr Hywel
Gardiner, Barry
Gilmore, Sheila
Glindon, Mrs Mary
Goggins, rh Paul
Goodman, Helen
Greatrex, Tom
Green, Kate
Greenwood, Lilian
Griffith, Nia
Gwynne, Andrew
Hain, rh Mr Peter
Hamilton, Mr David
Hamilton, Mr Fabian
Hanson, rh Mr David
Harman, rh Ms Harriet
Harris, Mr Tom
Healey, rh John
Hendrick, Mark
Hillier, Meg
Hilling, Julie
Hodge, rh Margaret
Hodgson, Mrs Sharon
Hopkins, Kelvin
Howarth, rh Mr George
Illsley, Mr Eric
Jackson, Glenda
James, Mrs Siân C.
Jamieson, Cathy
Johnson, rh Alan
Johnson, Diana R.
Jones, Graham
Jones, Mr Kevan
Jones, Susan Elan
Jowell, rh Tessa
Joyce, Eric
Kaufman, rh Sir Gerald
Keeley, Barbara
Keen, Alan
Kendall, Liz
Lammy, rh Mr David
Lavery, Ian
Leslie, Chris
Lewis, Mr Ivan
Lloyd, Tony
Love, Mr Andrew
MacShane, rh Mr Denis
Mactaggart, Fiona
Mann, John
Marsden, Mr Gordon
McCabe, Steve
McCann, Mr Michael
McClymont, Gregg
McDonagh, Siobhain
McFadden, rh Mr Pat
McGovern, Alison
McGovern, Jim
McGuire, rh Mrs Anne
McKinnell, Catherine
Meacher, rh Mr Michael
Mearns, Ian
Miliband, rh David
Miliband, rh Edward
Mitchell, Austin
Moon, Mrs Madeleine
Morrice, Graeme
Morris, Grahame M.
Mudie, Mr George
Munn, Meg
Murphy, rh Paul
Nandy, Lisa
Nash, Pamela
O'Donnell, Fiona
Onwurah, Chi
Osborne, Sandra
Pearce, Teresa
Perkins, Toby
Phillipson, Bridget
Pound, Stephen
Raynsford, rh Mr Nick
Reed, Mr Jamie
Reeves, Rachel
Riordan, Mrs Linda
Robinson, Mr Geoffrey
Roy, Mr Frank
Roy, Lindsay
Ruddock, rh Joan
Seabeck, Alison
Sheerman, Mr Barry
Sheridan, Jim
Shuker, Gavin
Skinner, Mr Dennis
Slaughter, Mr Andy
Smith, rh Mr Andrew
Smith, Angela *(Penistone and Stocksbridge)*
Smith, Nick
Smith, Owen
Soulsby, Sir Peter
Spellar, rh Mr John
Straw, rh Mr Jack
Stringer, Graham
Stuart, Ms Gisela
Tami, Mark
Thomas, Mr Gareth
Thornberry, Emily
Timms, rh Stephen
Trickett, Jon
Turner, Karl
Twigg, Derek
Twigg, Stephen
Umunna, Mr Chuka
Vaz, Valerie
Walley, Joan
Whitehead, Dr Alan
Williamson, Chris
Wilson, Phil
Winnick, Mr David
Winterton, rh Ms Rosie
Wood, Mike
Woodcock, John
Woodward, rh Mr Shaun
Wright, David
Wright, Mr Iain

Tellers for the Ayes:
Lyn Brown and
Mr Dave Watts

NOES

Afriyie, Adam
Aldous, Peter
Alexander, rh Danny
Amess, Mr David
Andrew, Stuart
Arbuthnot, rh Mr James
Bacon, Mr Richard
Bagshawe, Ms Louise
Baker, Norman
Baker, Steve
Baldry, Tony
Baldwin, Harriett
Barclay, Stephen
Barker, Gregory
Bebb, Guto
Beith, rh Sir Alan
Bellingham, Mr Henry
Benyon, Richard
Birtwistle, Gordon
Blackman, Bob
Blackwood, Nicola
Blunt, Mr Crispin
Boles, Nick
Bone, Mr Peter
Bottomley, Peter
Bradley, Karen
Brady, Mr Graham
Brake, Tom
Bray, Angie
Brazier, Mr Julian
Bridgen, Andrew
Brine, Mr Steve
Brokenshire, James
Brooke, Annette
Bruce, Fiona
Buckland, Mr Robert

Burley, Mr Aidan
Burns, Conor
Burns, Mr Simon
Burrowes, Mr David
Burstow, Mr Paul
Burt, Lorely
Byles, Dan
Cable, rh Vince
Cairns, Alun
Campbell, rh Sir Menzies
Carmichael, Mr Alistair
Carmichael, Neil
Carswell, Mr Douglas
Cash, Mr William
Chishti, Rehman
Clark, rh Greg
Clarke, rh Mr Kenneth
Clifton-Brown, Geoffrey
Collins, Damian
Colvile, Oliver
Cox, Mr Geoffrey
Crabb, Stephen
Crouch, Tracey
Davey, Mr Edward
Davies, David T. C. *(Monmouth)*
Davies, Glyn
de Bois, Nick
Dinenage, Caroline
Djanogly, Mr Jonathan
Dodds, rh Mr Nigel
Donaldson, rh Mr Jeffrey M.
Dorrell, rh Mr Stephen
Dorries, Nadine
Doyle-Price, Jackie
Drax, Richard
Duddridge, James
Duncan, rh Mr Alan
Duncan Smith, rh Mr Iain
Dunne, Mr Philip
Edwards, Jonathan
Ellis, Michael
Ellison, Jane
Ellwood, Mr Tobias
Elphicke, Charlie
Eustice, George
Evans, Graham
Evans, Jonathan
Fabricant, Michael
Fallon, Michael
Farron, Tim
Featherstone, Lynne
Field, Mr Mark
Foster, Mr Don
Fox, rh Dr Liam
Francois, rh Mr Mark
Freeman, George
Freer, Mike
Fullbrook, Lorraine
Fuller, Richard
Gale, Mr Roger
Garnier, Mark
Gauke, Mr David
George, Andrew
Gibb, Mr Nick
Gilbert, Stephen
Gillan, rh Mrs Cheryl
Glen, John
Goldsmith, Zac
Goodwill, Mr Robert
Gove, rh Michael
Graham, Richard
Grant, Mrs Helen
Gray, Mr James
Green, Damian
Greening, Justine
Grieve, rh Mr Dominic
Griffiths, Andrew
Gummer, Ben
Gyimah, Mr Sam
Halfon, Robert
Hames, Duncan
Hammond, rh Mr Philip
Hammond, Stephen
Hancock, Matthew
Harper, Mr Mark
Harris, Rebecca
Hart, Simon
Harvey, Nick
Hayes, Mr John
Heald, Mr Oliver
Heath, Mr David
Heaton-Harris, Chris
Hemming, John
Henderson, Gordon
Hendry, Charles
Hinds, Damian
Hoban, Mr Mark
Hollingbery, George
Hollobone, Mr Philip
Hopkins, Kris
Horwood, Martin
Hosie, Stewart
Howell, John
Hughes, Simon
Huhne, rh Chris
Hunter, Mark
Hurd, Mr Nick
Jackson, Mr Stewart
James, Margot
Javid, Sajid
Jenkin, Mr Bernard
Johnson, Gareth
Johnson, Joseph
Jones, Andrew
Jones, Mr David
Jones, Mr Marcus
Kennedy, rh Mr Charles
Knight, rh Mr Greg
Kwarteng, Kwasi
Laing, Mrs Eleanor
Lamb, Norman
Lancaster, Mark
Lansley, rh Mr Andrew
Laws, rh Mr David
Leadsom, Andrea
Lee, Jessica
Lee, Dr Phillip
Leech, Mr John
Leigh, Mr Edward
Leslie, Charlotte
Letwin, rh Mr Oliver
Lewis, Brandon
Liddell-Grainger, Mr Ian
Lidington, Mr David
Lloyd, Stephen
Llwyd, Mr Elfyn
Lord, Jonathan
Loughton, Tim
Lucas, Caroline
Luff, Peter
Lumley, Karen
MacNeil, Mr Angus Brendan
Main, Mrs Anne
Maude, rh Mr Francis
Maynard, Paul
McCartney, Jason
McCrea, Dr William
McIntosh, Miss Anne
McPartland, Stephen
McVey, Esther
Menzies, Mark
Mercer, Patrick
Metcalfe, Stephen
Miller, Maria
Mills, Nigel
Milton, Anne
Moore, rh Michael
Mordaunt, Penny
Morgan, Nicky
Morris, Anne Marie
Morris, David
Morris, James
Mowat, David
Mulholland, Greg
Mundell, rh David
Munt, Tessa
Murray, Sheryll
Murrison, Dr Andrew
Neill, Robert
Newmark, Mr Brooks
Newton, Sarah
Nokes, Caroline
Norman, Jesse
Nuttall, Mr David
Offord, Mr Matthew
Ollerenshaw, Eric
Opperman, Guy
Paice, Mr James
Paisley, Ian
Parish, Neil
Patel, Priti
Paterson, rh Mr Owen
Pawsey, Mark
Penning, Mike
Penrose, John
Percy, Andrew
Perry, Claire
Pickles, rh Mr Eric
Pincher, Christopher
Poulter, Dr Daniel
Pritchard, Mark
Pugh, Dr John
Raab, Mr Dominic
Randall, rh Mr John
Reckless, Mark
Redwood, rh Mr John
Rees-Mogg, Jacob
Reevell, Simon
Reid, Mr Alan
Rifkind, rh Sir Malcolm
Robertson, Angus
Robertson, Hugh
Robertson, Mr Laurence
Rogerson, Dan
Rudd, Amber
Russell, Bob
Rutley, David
Sanders, Mr Adrian
Sandys, Laura
Scott, Mr Lee
Selous, Andrew
Shannon, Jim
Shapps, rh Grant
Sharma, Alok
Shelbrooke, Alec
Shepherd, Mr Richard
Simmonds, Mark
Simpson, David
Skidmore, Chris
Smith, Henry
Smith, Julian
Smith, Sir Robert
Soames, Nicholas
Soubry, Anna
Spelman, rh Mrs Caroline
Spencer, Mr Mark
Stanley, rh Sir John
Stephenson, Andrew
Stevenson, John
Stewart, Bob
Stewart, Iain
Stewart, Rory
Stride, Mel
Stuart, Mr Graham
Stunell, Andrew
Sturdy, Julian
Swales, Ian
Swayne, Mr Desmond
Swinson, Jo
Swire, Mr Hugo
Syms, Mr Robert
Tapsell, Sir Peter
Teather, Sarah
Timpson, Mr Edward
Tomlinson, Justin
Truss, Elizabeth
Turner, Mr Andrew
Tyrie, Mr Andrew
Uppal, Paul
Vaizey, Mr Edward
Vickers, Martin
Villiers, rh Mrs Theresa
Walker, Mr Charles
Walker, Mr Robin
Wallace, Mr Ben
Watkinson, Angela
Webb, Steve
Weir, Mr Mike
Wharton, James
Wheeler, Heather
Whiteford, Dr Eilidh
Wiggin, Bill
Willetts, rh Mr David
Williams, Hywel
Williams, Mr Mark
Williams, Roger
Williamson, Gavin
Wilson, Mr Rob
Wilson, Sammy
Wishart, Pete
Wollaston, Dr Sarah
Wright, Jeremy
Yeo, Mr Tim
Young, rh Sir George
Zahawi, Nadhim

Tellers for the Noes:
Miss Chloe Smith and Mr Shailesh Vara

Question accordingly negatived.

Clause 1

Repeal of Identity Cards Act 2006

Damian Green: I beg to move amendment 1, page 1, line 9, leave out

'(with consequential amendments) by this Act'

and insert

'by this Act (with consequential amendments and, in the case of section 38, also with minor amendments)'.

Mr Deputy Speaker (Mr Nigel Evans): With this it will be convenient to discuss Government amendments 2 to 4.

Damian Green: The amendments address an issue that was much discussed in Committee. They are not central to the Bill itself, but they are an important part of the wider picture. As we have already discussed at all stages, the Bill is about scrapping ID cards, destroying the data held on the national identity register and, as a result, removing the disproportionate hand of the state in the gathering of personal and biometric data for the purpose of issuing an ID card. It removes the ability of the state to require that a cardholder informs the state for the next 10 years of their personal circumstances, and it removes the threat of a heavy fine of up to £1,000 should they fail to do so.

Most of the clauses in the Bill re-enact the parts of the Identity Cards Act 2006 that were useful and proportionate. Clause 10 re-enacts the provisions of section 38 of the 2006 Act, which allows the Secretary of State to require relevant information to be provided to verify information provided in a passport application or to decide whether to withdraw a passport. In this context, "relevant information" includes identity information to confirm that the applicant is a real person and the person whom they claim to be. It enables the Identity and Passport Service to obtain information relevant to the application and considered necessary to conduct an effective interview with first-time applicants. That may include records from the credit reference agency that will show how long the person has lived at an address and at how many addresses they have lived. It would be unlawful and a breach of the Data Protection Act to require information that was not relevant to the passport application.

During the oral evidence sessions in Committee, two pressure groups—Liberty and Justice—supported the provisions in the clause, which is a welcome and envious position for any Government when bringing new legislation before Parliament. However, I indicated in Committee that I would welcome representations from members of the Committee on the scope of clause 10—in particular, on ensuring that information obtained is indeed passport-specific—and on the retention policy on data obtained.

4.45 pm

Many points were made in Committee, and I have reflected on them. Many of the most cogent points were made by my hon. Friend the Member for Cambridge (Dr Huppert), who is sadly not in his place today. As he indicated in the fifth sitting of the Committee, clause 10 would benefit from greater clarity about the Secretary of State's ability to require information. The amendments before the House would place a statutory limitation in the Bill, requiring that information be obtained only in respect of the passport application.

It would not be appropriate for two reasons, still less practical, to list what that information may be. First, doing so would obviously alert potential fraudsters to the categories or sources of information being used, and may give them an indication of what information sources they should satisfy to ensure that a fraudulent passport application might be successful. Secondly, the format and source from which information could be obtained is not exhaustive, and it would be unnecessarily restrictive on the operational ability of the Identity and Passport Service not to be able to make use of verification sources that would support the main aim of preventing and reducing fraud. Importantly, we believe that we have strengthened the legislation by clarifying in the Bill that any information required must be relevant to the passport application.

The amendments to clause 10 also place a requirement on the Secretary of State to destroy any information obtained under the clause within 28 days of the passport being issued. That is already current practice in the Identity and Passport Service, but placing the requirement on to a statutory footing will increase transparency and accountability. Where information has been obtained in consideration of a possible withdrawal of the passport, any information gathered must be destroyed within 28 days of a decision not to withdraw the passport. Where a passport has been refused, the information will be retained only for as long as is necessary for possible investigative and prosecutorial purposes. We believe that that is a proportionate approach to data retention, and it is appropriate that the retention policy should be set out in the Bill. Amendment 1 is a technical amendment, proposed in the light of the changes to clause 10 that I have outlined.

The passage of the Bill through this House has served to illustrate the level of support for our overall policy of scrapping the ID card scheme. The Bill went through unopposed on Second Reading. I commend the wisdom of the Opposition in not seeking to oppose the principle of the Bill, although their rhetoric has not quite matched the practicalities of their votes. However, one thing that does not divide me from the hon. Member for Hackney South and Shoreditch (Meg Hillier), who leads for the Opposition on this issue, is that we both recognise that we must continue to do everything that we can to tackle identity fraud. We recognise the importance of clause 10 in preventing and combating fraud, and in maintaining the effectiveness of counter-fraud investigators in achieving successful prosecutions against those who seek to make fraudulent applications. With the amendments, the revised clause 10 will achieve that, at the same time as increasing transparency and accountability. I hope that hon. Members from all parts of the House will welcome the improvements that the amendments propose.

Meg Hillier: In general terms, Her Majesty's Opposition support the amendments, but I have a number of small points to make and questions to ask of the Minister. I understand his reasons for not publishing the list of organisations that might be referred to. I recognise the valid security reasons for that, but it does rather go against his desire for transparency. I wonder how he will try to square that circle, to ensure that safeguards are in place with respect to which organisations are approached. I am aware that internal audits take place on a routine basis in passport offices up and down our different

countries. However, the Minister has made much of the need for transparency and safeguards, and the two do not work well together.

I reserve judgment on the proposal to retain data for 28 days. I recognise that the current practice in the Identity and Passport Service works quite well, and it is interesting that the Government want to put those arrangements on to a statutory footing. It is interesting partly because passports are issued under the royal prerogative, an arrangement that is not on a statutory footing. I also wonder whether such a move might limit any necessary flexibility. What conversations has the Minister had with those who deal with the security of our passports, in particular the excellent team based in the Glasgow passport office, who often put themselves at great risk while investigating and uncovering fraud? I am aware that data relating, in particular, to withdrawn passports can be especially important in uncovering rings of individuals trying to help others fraudulently to obtain passports. Generally, I support the principle of not holding information any longer than is necessary for this purpose, but we need to ensure that the Government are not unnecessarily restricting action on fraud.

In passing, I must also add that the Bill is a lost opportunity to tackle fraud. Had we still been pursuing the inclusion of fingerprints in passports, which the Minister is throwing out under the terms of the Bill, that would have helped to reduce fraud more generally. If the Minister can answer those two points, it would reassure me considerably.

Damian Green: I am grateful to the hon. Lady for her questions. As I understand it, in one of them she is suggesting that I am being too transparent, and in the other that I am not being transparent enough. I appreciate the difficulties of opposition, having had 13 years of it, just as she will appreciate some of the pressures on Ministers. She asked me to reveal internal conversations within the Department, particularly with people who are involved with difficult and dangerous anti-fraud operations. She will know as well as I do that it would be hugely inappropriate and unwise for me to answer that question directly.

Meg Hillier: I fully appreciate that, but I did not actually ask the Minister to answer that question directly. I shall take him to be a man of honour and a man of his word if he can tell us that these issues have been fully explored and that he is personally content about them. It is important that the House knows that that is the case, partly because those individuals put themselves in harm's way when doing their job.

Damian Green: Indeed so. This is not an adversarial climate, but the hon. Lady will know as well as I do that striking a balance between transparency and flexibility on the one hand and security on the other lies at the heart of much of what the Home Office does, and, indeed, of much of what the Bill seeks to do. She and I would probably find ourselves on different points of that particular spectrum, but we both recognise that it is a spectrum within which we both have to operate. I can only say that it would clearly not be appropriate for me to set out for the benefit of potential fraudsters which organisations they would have to satisfy in order to be issued with a passport, so I shall decline the opportunity to talk to her about the individual organisations concerned.

Meg Hillier: If the Minister is not hearing what I am saying, perhaps there is an issue about how he is answering questions generally. I was not asking him to do that, so that is fine; we agree. I simply want to know whether he feels personally reassured that these measures will not detract from the ability of the UK Passport Service to carry out the security checks that normally take place. If that was not clear before, I hope that it is now absolutely clear. I do not think that we are asking for different things; I am just seeking reassurance from the Minister that he has done his job as thoroughly as I expect he has.

Damian Green: Of course the Department that the hon. Lady used to be responsible for would not put the security of our passports at risk.

To answer the hon. Lady's other point, information relevant to future investigations would be retained under the proposals before us, with the amendments here. I hope that she will agree that that strikes an appropriate balance. Genuine concerns were expressed—not just by my hon. Friend the Member for Cambridge (Dr Huppert), but by Members of all parties—to the effect that the simple repetition of the original clause might put us at the wrong side on the spectrum between transparency and security. That is why I agreed to put the 28-day provision directly in the Bill. The hon. Lady asked about that, and I see no reason to believe that this will in any way inhibit or impede anti-fraud operations. What the amendments will do by changing the clause is to allow operations to be properly conducted while at the same time reassuring individual applicants that any information they give is not kept for an unnecessarily long period of time. That is what this set of amendments is designed to achieve. I commend the amendments to the House.

Amendment 1 agreed to.

Clause 10

VERIFICATION OF INFORMATION

Amendments made: 2, page 5, line 24, leave out subsections (1) to (3) and insert—

'(1) This section applies where it appears to the Secretary of State that a person within subsection (4) may have information that could be used—

(a) for verifying information provided to the Secretary of State for the purposes of, or in connection with, an application for the issue of a passport, or

(b) for determining whether to withdraw an individual's passport.

(2) For the purpose of making the verification or determination mentioned in subsection (1)(a) or (b), the Secretary of State may require the person within subsection (4) to provide the Secretary of State with the information by a date specified in the requirement.'.

Amendment 3, page 6, line 2, leave out

'of relevant information to the Secretary of State'

and insert

'to the Secretary of State of information that could be used as mentioned in subsection (1)(a) or (b)'.

Amendment 4, page 6, line 16, at end insert—

'(8A) In a case within subsection (1)(a) where a passport is issued, information provided in accordance with this section must be destroyed no later than 28 days after the passport is issued.

(8B) In a case within subsection (1)(b) where a passport is not withdrawn, information provided in accordance with this section must be destroyed no later than 28 days after the determination is made not to withdraw the passport.

(8C) Subsections (8A) and (8B) do not apply in a case where it appears to the Secretary of State to be desirable to retain the information for the purpose of

(a) preventing or detecting crime, or

(b) apprehending or prosecuting offenders.'. *(Damian Green.)*

Third Reading

4.56 pm

Damian Green: I beg to move, That the Bill be now read the Third time.

It is a huge pleasure to move Third Reading. The Bill has now proceeded through the scrutiny stages of this House. I appreciate that this is a short and simple Bill, but it is a genuinely historic one—not only because, as mentioned, it was the first Bill introduced by the coalition Government, but because its content is historic and marks a significant shift in direction in the relationship between the state and the citizen in this country. That in itself represents a significant step forward.

The House has agreed to destroy data held by the state without condition or distinction. Consigning the ID cards scheme and the national identity register to the scrapheap reflects the absolute commitment of the coalition Government to reduce the interference of the state and return power back to the people. I am very proud of what the Bill will achieve and I am encouraged by the support for it in all parts of the House. I emphasise "all parts" because we have had some fairly partisan debates this afternoon, but even Labour Members have admitted that the Conservative party had a clear commitment in its manifesto, as did the Liberal Democrats and the nationalist parties in their manifestos.

Many of us welcome the fact that two fifths of wisdom is beginning to creep into the Labour party in that two of the five leadership candidates have decided that the ID card scheme was a mistake. I fear for those who have expressed such strong support for that scheme; if the wrong Miliband wins, they could be in trouble. I also fear for the peace of the dinner party in that the civil libertarian/authoritarian divide is beginning to open up in the Labour party and has even opened up in the Miliband family. This will be an issue that they will have to resolve in a few weeks' time.

This Bill has sought to repeal parts of the 2006 Act that dealt with the ID card scheme, but we have been careful—I want to emphasise this—to re-enact the important powers on fraud prevention and detection available to protect the public. There is no reduction in public security as a result of the Bill; rather, it is about seeing an enormous increase in public freedom.

I am grateful to all hon. Members who have taken part in the Bill's scrutiny. We have taken on board the concerns raised on Second Reading and in Committee on information verification, and we have successfully tabled amendments to strengthen safeguards for the public and raise accountability. We noted the comments made in Committee about transgendered people, and will engage in further work with international colleagues in relation to the points raised about passports.

The Bill should also be seen as part of a wider programme to increase individual freedom. Along with Bills such as the freedom Bill, it will, as I have said, alter the balance irrevocably, giving us more powerful citizens and a less than all-powerful state. That is one of the significant changes for the better that the Government will be able to achieve for the country.

There was a discussion about who was responsible for the ID card scheme: about whether it was a new Labour creation, or, ingeniously, the creation of my noble and learned Friend Lord Howard of Lympne. The truth is that it was neither. We had ID cards in this country during the second world war. They were abolished in the 1950s, to great public acclaim, by a Conservative Government who concentrated, as we have done throughout the decades, on the importance of maintaining the power of the citizen.

In times of crisis, Governments often return to ID card schemes, and it was clearly the view of the last Government that Britain was at war after 9/11, that we were at war with terrorists permanently, and that we therefore needed to be put on a permanent war footing. It is at the heart of the contention of those of us who voted against the original Bill, and campaigned successfully against it—as has now been proved with the passage of this legislation—that we cannot and should not lead our lives as though we are in a state of permanent warfare: that if people's freedoms are restricted so much in an attempt to defend those freedoms, those who threaten our freedoms have already won.

This is a significant victory for the British people. I pay tribute not only to Members on both sides of the House who have supported the Bill, but to the various pressure groups involved. Liberty and Justice have been mentioned, but I also pay tribute to the NO2ID campaign, which can chalk itself up as one of the most successful pressure groups in history. It was formed less than 10 years ago, and within a decade of its formation it has achieved its principal aim.

No doubt all the pressure groups that I have just praised will spend the next few years complaining that we have not gone far enough in various directions. However, I look forward to constructive discussions with them. The broad conclusion that the country can draw from the passage of the Bill is that the march of freedom is happening again, and the British people are beginning to recover their historic freedoms and gain new freedoms. That is one of the many ways in which this Government will improve the lives of people throughout the country.

5.3 pm

Mr David Blunkett (Sheffield, Brightside and Hillsborough) (Lab): In a speech on Second Reading, when there was a time limit, I paid tribute to campaigning groups that had been extremely effective in swaying opinion in the media, at least—if not the opinion of the country—against the idea of new forms of biometric recording and an up-to-date and verifiable national register showing who was in the country and their identity. I now pay tribute to the Minister for his dedicated work in opposition, and in the four months of the coalition Government, in implementing the commitment of the coalition partners.

I do not, however, pay tribute to people who believe their own rhetoric. I have done it myself, and it is not a good idea. Eventually one comes to believe things that are not true, such as the idea that the last Government took away our civil liberties and were intent on strengthening the authoritarianism of the state. I am very sad that people who are standing for senior office in my party have also bought the myth that a second-generation biometric register somehow took away the civil liberties of the British people. However, we lost the election, and those of us who believed that we were doing the right thing lost a level of the debate that was crucial to the continuation of the scheme.

I am very happy to pay tribute to Lord Howard as the father of the modern scheme. We did not have the facility of second-generation biometrics when he advocated the scheme in 1996. However, he at least understood that if we were going to control unwarranted immigration, deal with the rising level of fraud, which was minuscule compared with the level today, and tackle the verification and authentication of genuine identity not least in respect of access to what are, uniquely, free public services such as the NHS, we needed something better than the passport as we had it then, and, it has to be said, as we have it today even with the improvements in the photographic evidence.

I wish the Government well in implementing e-Borders in their border police force. I do not know how that will enhance the sophistication of addressing illegal entry into the country or the identification of those who are already illegally here given that when in 2004 we introduced the registration system for the extended European Union A8 nationals we found that 40% of the people who registered were already in the country before the freedom of movement regulations had come into being for those new EU entrant countries. I do not know how the Government are going to do this, therefore, but I wish them well in trying.

This evening, I merely want to say that I speak as someone who has spent years persuading their senior colleagues in Cabinet to go in a particular direction and who has taken the slings and arrows of being accused of being authoritarian because they genuinely believe that updating the evidence that is already taken for the passport and the driving licence makes sense as it will be genuinely authentic—as opposed to the myth we peddle that somehow the identity documents we use are genuinely verifiable when they are not. In short, I speak as someone who has been told that they have betrayed the civil liberties and historical rights of people in this country when they have not, yet my only regret is that, having spent so much time having to put up with the black looks of Lord Prescott and the grumbles of our former Prime Minister, my right hon. Friend the Member for Kirkcaldy and Cowdenbeath (Mr Brown), and having eventually won the decision in government and started to implement the policy, I find that I am defeated at the last hurdle.

All I can say is congratulations to those who have won and commiserations to those who were misled into believing that ID cards would cost £2.5 billion and there were therefore going to be major savings from scrapping them, rather than the sum of £84 million over four years. I say commiserations to those who feel they were taking a great step yet find that that step has not led them anywhere new at all.

The Minister said on 9 June that the civil libertarians were in the ascendant in the Conservative party today and that is true, but let us not confuse libertarianism with liberty. Let us not confuse being concerned about out and out libertarianism with authoritarianism. These are not opposites; they are nuanced issues and they are difficult to deal with in government at a time of—whatever Ministers may feel—continuing risk. I should also point out that we must ensure that we move as the international community moves, because I guarantee that within 30 years second-generation biometrics will be used for international passport purposes.

Finally, I say just three words: rest in peace.

5.9 pm

Keith Vaz: It is a great pleasure to follow the former Home Secretary, my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett), who took us all the way back to the birth of ID cards and has now read out their last rites in the Chamber of the House of Commons. I do not think he should take the criticism of the last Labour Government personally. People say many things in leadership election campaigns. Let us see what happens next week when, in opposition, we have an opportunity to fashion our new policies. I pay tribute to my right hon. Friend for all he did as Home Secretary on so many issues to do with his portfolio.

I also pay tribute to the Minister. Anyone who has followed Home Office debates over the past few years since he has been on the Front Bench will have noted the enthusiasm, delight and intellectual vigour that he put into the campaign against identity cards. I am sure it gives him great satisfaction to be here to read the last rites of the identity cards and to do so very modestly. I suppose that when faced with the Liberal Democrats, the Conservative party, the Scottish National party, Justice and Liberty—a very odd combination—it is probably right that the official Opposition have, in a sense, thrown in the towel. The shadow Minister accepted that there was no appetite among Labour Members to oppose the Bill on Second Reading and she tabled some carefully thought-out amendments, but the Government, with their majority and with this Bill as a central part of their Home Office agenda, have got their Bill through, after only 12 weeks.

I hope that the Minister will take seriously—I know that he will—the concerns expressed about the destruction of data. The Select Committee on Home Affairs will be writing to him in two months' time. I know that he did not give that as the absolute timetable, but he mentioned two months and then a further two months, and he then said that this would depend on what happens in the other place. I do not think that it will be a problem there, so by Christmas or, at least, by the new year we should be in a position to know that these data have been destroyed. I am sure that we will be writing to him to ensure that now that the funeral is over, the ashes will be scattered in about four months' time.

5.11 pm

Tom Brake (Carshalton and Wallington) (LD): This is indeed an historic occasion and it is gratifying that the coalition has been able to deliver so early in its life such a significant change and such an improvement in

[Tom Brake]

our civil liberties. This is clearly the first stage in a much wider programme. Members on the Government Benches have been accused of being obsessed with civil liberties, but it is a sign of how regressive or repressive the Labour Government had become that they characterised supporters and defenders of civil liberties as people, or Members, who were obsessed with that subject over and above any other.

The right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) spoke of the so-called myth that the previous Government had an agenda that was contrary to civil liberties. However, they gave us identity cards, which we no longer have. We also had pre-charge detention, control orders, fingerprinting in schools and DNA retention. In my view, that constituted a full-frontal assault on our civil liberties, and we are right to try to redress the balance. He also said that there might be only £84 million-worth of savings—I do not know whether he actually used the word "only". Even if that figure is indeed right, in the current context those are savings that we need to achieve.

In my view, and that of the coalition Government, this Bill is just the first step in a programme of rebuilding and restoring our reputation as a nation that values civil liberties and is willing to defend them whenever they are under assault.

5.13 pm

Pete Wishart: Good riddance to the most thoroughly bad rubbish. Thank goodness we are standing on the brink of getting rid of the pernicious and hated ID cards. They were new Labour ID cards—NLID cards, as I called them in the previous debate—created solely by the previous Government. They are now thankfully being abolished, and I give great credit to the coalition Government for being able to introduce this Bill so quickly. Thank goodness we are getting shot of these cards today.

I also wish to pay tribute to the many campaigners who fought so hard and long to ensure that we never saw ID cards introduced in this country. I am referring to NO2ID, Liberty and all the other groups that were out there campaigning. This became a real election issue, and I am sure that other hon. Members also found that it was regularly raised in the hustings. People talked about Labour's creeping authoritarian state and its anti-civil libertarian agenda, and how Labour must be stopped. Thankfully, today is the day that we can put to bed not just ID cards but, I hope, the whole anti-civil libertarian agenda that the Labour party tried to foist on us.

This Bill has been relatively easy for the Liberals and Conservatives as well as for those of us in the Scottish National party and other national parties. We opposed these things—we hated them and we wanted rid of them. This has been a real challenge for Labour Members and I have watched their agony throughout this Bill. I did not know whether they were going to oppose it or support it. I had to wait for the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) to get to his feet to know whether it would be the first line of the next Labour manifesto or whether they were going to support the scrapping.

I still do not know what Labour Members' response to ID cards is. They have not opposed them in any way. They supported Second Reading—or abstained—and they proposed tame, minimal amendments in Committee. We have heard a lot of huff and puff today about compensation, but I still do not know what the Labour party's approach to ID cards is. I would like to hear—perhaps in the summing up—whether it has now dropped the whole idea. I hope that it has, because Labour should come home. We need the Labour party in opposition to come home to its civil libertarian past.

Julie Hilling: When poor people in the hon. Gentleman's constituency want to open a bank account or do any of the many things for which people need to prove their identity, if they do not drive and do not have utility bills how will they prove their identity in his new free world?

Pete Wishart: This is the thing that the Labour party consistently refuses to appreciate and understand. ID cards were an attempt to change the whole nature of the relationship between the individual and the state. That was what they were about. People in groups such as Liberty and NO2ID did not oppose ID cards because they were a nice cuddly little thing that would help people to access services—they opposed them because they were a new element to the relationship between state and individual. That was why ID cards became so hated throughout the nation.

Mr Blunkett: The hon. Gentleman is emotionally attached to the idea of the perniciousness of the scheme, but I want gently to test how far his libertarianism would go. There are two states in the United States where a blind person can obtain a licence to own a gun. One of those states does not require a blind person to have a driving licence—

Mr Deputy Speaker (Mr Nigel Evans): Order. That point is wide of Third Reading, but is a good try none the less.

Stephen Pound (Ealing North) (Lab): It was a good point.

Pete Wishart: It was a good point, and you have rescued me, Mr Deputy Speaker, because I would have found it pretty hard to respond to it. I am grateful to the right hon. Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) for intervening, because I want to pay tribute to him, too, in the course of all this. Of course, ID cards were his child. He argued them through Cabinet and, as he said in his speech, he had all sorts of opposition and he fought his corner. However, he has left the Labour party a dreadful legacy. I hope that it can join the rest of us—where it should be—in ensuring that we can continue to hold this Conservative Government to account.

It was great when the Conservatives were in opposition—of course they were against the anti-civil libertarian agenda—but we will have to watch them like hawks in government, and we need the Labour party on board for that task. We need the Labour party to help to hold the Conservatives to account, because I have a sneaking suspicion that once they have had a good start and once they have their feet under the table, they will start to consider several issues and the old Conservatives

will start to come back. We will start to see that move towards the authoritarianism that was a trademark of so many previous Governments. I appeal to the Labour party to help us to hold the Government to account and to get rid of the opposition to this. They should say, "Good riddance" and be thankful that we have got rid of ID cards.

This runs through the whole history of Labour and ID cards. We never even knew what they were for—that was the great thing. We did not know what they were supposed to achieve. When the right hon. Member for Sheffield, Brightside and Hillsborough introduced them—he can correct me if I get this wrong—his intention was that there would be a fully compulsory scheme, so that everybody in the UK would have to hold an ID card. That, I believe, was his intention and that was what he wanted to try to deliver. As he tried to get the scheme through, the opposition started to kick in. Opposition to the idea seemed to be growing and growing, so we saw the reasons behind ID cards changing. The scheme changed into a voluntary scheme that not only would keep us safe but could be used to make sure that we could buy services. I believe that being able to play the lottery was one of the great reasons we were given to have an ID card. They became not so much ID cards as super cards that would solve all society's ills.

Mr Blunkett: I promise not to divert us from the issue, Mr Deputy Speaker. I do not remember anyone on our side—certainly not me—talking about being able to use the lottery.

Pete Wishart: It might not have been the right hon. Gentleman who said that and I am sorry if I have characterised him in that way. I believe that his true intention was to have everyone signed up to a mandatory ID card; that was the first attempt and agenda of the Labour party when it introduced the idea. All the way through the difficult conception and birth of the ID card, there was no real consistency in the way in which Labour tried to get it through. That has been the difficulty throughout the whole experience.

Labour's opposition to the Bill has been woeful—not knowing whether to support it or not and making some caustic comments about compensation; that has been its attitude—but there is light at the end of the tunnel. According to all the opinion polls, it looks as though the right hon. Member for Doncaster North (Edward Miliband) might win the Labour leadership election and he has said that ID cards were a step too far. He talks about the fact that they were not a good idea and says that there should be no further backing for them. Perhaps we will start to get the Labour party back on board; I certainly hope so.

Today has been a thoroughly good day. I congratulate the Minister on taking the Bill through in his usual manner—with good grace and listening to some of the arguments and representations—and on a job well done. This day is the end of ID cards, and thank goodness for that. Good riddance to them and let us hope that we never see their likes again.

5.21 pm

Meg Hillier: The hon. Member for Perth and North Perthshire (Pete Wishart) has done exactly as my right hon. Friend the Member for Sheffield, Brightside and Hillsborough (Mr Blunkett) said and has begun to believe his own rhetoric, entertaining though it was to listen to. It might be helpful if I explain to him and to the rest of the House the position of the official Opposition. I remind the House that although many things are said in election campaigns, what happens in reality when people have power is often very different. We have a good example of that in front of us in the form of the coalition Government, but I shall say no more on that.

Her Majesty's Opposition recognise the Government's clear position and the reality of the maths. We know that both parties were elected on manifestos to get rid of ID cards and that the Bill is the fruition of what is a fairly rare point of agreement. Indeed, only on Monday the Under-Secretary of State for the Home Department, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), was speaking with enthusiasm about her position when she was in opposition and had to be quickly reminded of something by her Parliamentary Private Secretary, who passed her a note. She then swiftly began to read an alternative position from the coalition agreement, so we know that sometimes things are said but then change. However, the reality is that both parties agreed on this point and we recognise that that gives the Government a mandate. We are not here to oppose for the sake of opposition, but we feel that the Bill sweeps aside many important things.

On Second Reading, the Minister said that the Bill is symbolic—and it is for him and his Government. It is also ideologically based and very rushed. Had he been in his Department a bit longer and had other Ministers in that Department and in government thought things through, they might rue the day they swept away the baby with the bathwater. The Bill has the serious consequence of removing the option to have fingerprints in passports, which the identity register allowed. That would have updated the passport database to allow for the very secure retention of that important biometric.

The hon. Member for Perth and North Perthshire is very exercised about data being held by the state. I am sure that he must have a passport for travel and I wonder whether he has ever given a moment's thought to where passport information is held. As I reminded members of the public and others up and down the country during many of my roadshows, visits and talks about this issue over three years, 80% of us have a passport and that information is held securely. We have a good Passport Service, but what we proposed was a more secure approach. I shall not dwell on what we could have done or what we would do differently again, but it is an important principle of the Opposition that the passport should be secure not only now but in future. The new design for a more secure physical passport that I signed off earlier in the year has been unveiled and produced in the Blaydon constituency. We wanted greater security with fingerprinting, but the Government have effectively abandoned that.

Interestingly, the Bill sets the tone for the way in which the Government wish to work. It was brought forward in quite a rush. We finally managed today to extract from the Government the fact that there was no consultation on the Bill, so mentions in manifestos and on individuals' blogs seem to be the way in which the Government choose to consult. We also know that the Bill's impact assessment was inadequate, which is sad, given that one of the Ministers responsible for the Bill is

[Meg Hillier]

also the Minister for Equalities. Labour Members will watch closely to ensure that such sloppiness does not take place in the future, and I hope that Ministers acknowledge that they have a responsibility to do their jobs thoroughly and properly.

We look forward to hearing more about the transgender issue raised by my hon. Friend the Member for Bolton West (Julie Hilling). We tried to put in place something that would make the best of a bad job in this regard, but the Government removed that option overnight without any recognition of that fact. No full solution is forthcoming, so we ask the Government to report to Parliament as progress is made on the issue. I ask the Minister with responsibility for passports to write to me around Christmas or in January to let me know what progress has been made, and to place a copy of the letter in the Library. I have been contacted by many people who would be grateful for such information. A lot of them do not have voices of their own, but they will be looking closely at how the House scrutinises the issue and have made it clear that they want to know what is going on.

The Bill prevents the Government from collecting and storing fingerprints, which means that the British passport will fall behind international standards relatively quickly, although international passports improve over years. Over time, British citizens will be forced to pay for visas when they make certain international visits. The Prime Minister and the Foreign Secretary have indicated that they favour biometrics on passports and increasing passport security, so I wonder whether the Bill has been fully squared in government. We hear that the Government are halting the use of fingerprints, but we do not know for how long. I hope that they will consider putting that back on the table because we all have a genuine interest in ensuring that the British public are safe when they travel and that our identity documents are as secure as possible. The use of fingerprints also helps to tackle identity fraud because many criminals have multiple identities, yet fingerprints are one of the surest ways of prevention.

I know that Ministers take seriously the Home Office's responsibility to do everything in its power to protect people—that is the Department's raison d'être—but the Bill throws out the baby with the bath water. The Opposition would revisit the issue of biometrics on passports, even though I give no commitment about what we would do on identity cards, given that we will shortly be under new leadership. However, if we were to get into power in five years' time, we would be in a different place than if we were not to get into power—heaven forefend—for 10 years. We recognise that we will have to deal with the landscape that we face at the time. I would hope that that landscape would involve fingerprints for passports, but the Bill does not make that look likely.

The Bill's refusal of any recompense to those who bought cards in good faith is mean-spirited, as is the fact that we have had no opportunity to press for refunds, which was why some of the new clauses that we tabled were complex. As I said, no proper account was taken of the equalities impact. If I was to be particularly mean, I would suggest that the mean-spirited nature of the Bill is a metaphor for the Government as we approach tough spending decisions.

I thank hon. Members who have played an important part in developing our policy and supporting my Front-Bench role. The Opposition's redoubtable team has mostly consisted of newly elected Back Benchers, who have been committed to addressing the Bill. I put on record my thanks to the former right hon. Members for Redditch, for Norwich South and for Airdrie and Shotts, the last of whom will no doubt give the Bill a run for its money in the other place, as well as my right hon. Friend the Member for Sheffield, Brightside and Hillsborough. It is rare that a junior Front-Bench spokesman has such support from a series of former Home Secretaries, but they have been incredibly supportive and helpful.

We are not yet dancing on the grave of identity cards. I live in hope that the Government will see the error of their ways and that, despite this Bill, they will revisit the issue of passport biometrics. I look forward to seeing how the Bill progresses in the Lords.

Question put and agreed to.

Bill accordingly read the Third time and passed.

PETITION

Dolphins (Japan)

5.30 pm

Tony Cunningham (Workington) (Lab): My constituent, Alice Cheney, from Great Clifton near Workington, brought me this petition because she feels strongly that there is a need to raise awareness both nationally and internationally about the slaughter of thousands, if not tens of thousands, of dolphins each year in the waters around Japan. She notes that it is estimated that some 23,000 dolphins are slaughtered each year just in the area of Taijii. She is also concerned that the dolphin meat produced after the slaughter is contaminated. The petitioners therefore request that the House of Commons urges the Government to take steps to raise awareness of the slaughter of dolphins and urges the Foreign Secretary to call on the Japanese Government to prevent the distribution of contaminated dolphin meat.

Following is the full text of the petition:

[The Petition of residents of Workington,

Declares that the petitioners believe that there is a need to raise awareness both nationally and internationally about the slaughter of thousands of dolphins each year in the waters around Japan; notes that it is estimated that some 23,000 dolphins are slaughtered each year in the area of Taijii; further declares that the petitioners believe that there is a need to raise awareness for the majority of Japanese citizens, who are unaware that this is going on in their country; and notes that the petitioners believe that the dolphin meat which is highly contaminated is being distributed to an unaware Japanese public protected by a government that knows the dangers of this practice and the risks to health it poses.

The Petitioners therefore request that the House of Commons urges the Government to take steps to raise awareness of the slaughter of dolphins and urges the Foreign Secretary to call on the Japanese Government to prevent the distribution of contaminated dolphin meat.

And the Petitioners remain, etc.]

[P000860]

Military Aviation Industry

Motion made, and Question proposed, That this House do now adjourn.—*(Jeremy Wright.)*

5.31 pm

Mark Menzies (Fylde) (Con): Thank you, Mr Deputy Speaker, for granting me the time and the opportunity to hold my first Adjournment debate. It may be my first Adjournment debate, but the topic is one on which I have spoken many times, both in the House and locally in the constituency. It is no less a subject than the future of UK military aircraft production.

The debate could not be more timely. Only last week, unfortunately, BAE Systems, which has its military headquarters in Warton in my constituency, announced potentially 1,000 job losses. I know that BAE Systems and the trade unions are working hard to minimise that eventual figure, but it serves as timely notice to us that the issue is not one of numbers or technology. It concerns people's lives, jobs and the UK maintaining a sovereign capability in an area in which we are currently world leaders.

I refer to comments made by the Prime Minister and the Chancellor of the Exchequer shortly after the election, when they said that one of the most important things that we had to do as a nation was to rebalance the economy, and rebalancing the economy was about being less reliant on services and moving on to manufacturing. It was about jobs being in the north rather than in the south. It was about jobs with high export potential that earned serious money for this country. I can think of no other sector that ticks all those boxes more than the UK military aircraft division.

I know that you, Mr Evans, and your fellow Deputy Speaker, the hon. Member for Chorley (Mr Hoyle), are precluded from taking part in the debate by the office that you hold, but both of you have a long-standing record as doughty defenders of the UK military aircraft sector.

In the north-west the industry is the engine room of the entire regional economy. From Warton, Samlesbury and the other plants that we have, tens of thousands of component suppliers and many, many small shops and taxi firms gain a living from the work that is done there.

In this debate I shall focus on a few key areas—the future of the Typhoon programme, the exports that we can derive from that, and the unmanned aircraft programme, which, I am proud to say, is being developed at Warton. There are some Members in the House who say that we should not be concerned about having a UK military aircraft capability, that sovereign capability was for yesteryear, and that we should be buying off the shelf. What they seem to forget is that the UK is the shelf. We are world leaders in most of this technology. When it comes to unmanned aircraft, the work is not done in the United States. The Americans are not the world leaders, they are not at the cutting edge and they do not have the talented people. The work is done here in the United Kingdom—in the north-west, in Lancashire, in Warton and in Samlesbury. That is where the talent lies, and those are the people whom I am here to represent this evening.

I therefore call on the Minister, when he makes his remarks, to reflect on the importance of the future of the unmanned aircraft industry to this country, because it is not just an industry that we lead, but one of huge potential growth both in the realm of military technology and for civilian use. We live in an unstable world, and as part of the security and strategic defence review we have considered all sorts of threats. They include an increased risk of piracy, the need to defend key oil installations and tackling human trafficking. Unmanned aircraft in their various forms are a fantastic way of including flexibility in one's military capability in order to address a number of those risks. Aircraft such as HERTI are flexible enough to allow civilian operators to take on some of those roles, leading to less reliance on Governments.

Typhoon, or the Eurofighter as some people may know it, is primarily built at Warton, but work has also been done at Samlesbury, and there has been talk recently about the importance of tranche 3B and why it is crucial for the RAF to place orders. I appreciate that when it comes to the lack of money in the defence budget, we are in unprecedented times, and I know that the Minister has to take some incredibly difficult decisions. Members will not like some of those decisions, but I believe that tranche 3B is very important and Typhoon is a first-class aircraft, so I make an appeal to him once again. When he looks at it, he should do everything that he can to ensure that there is the potential in the RAF for 3B.

However, we have to look beyond 3B, because the real prize is in Typhoon's export potential, because that is where the jobs, the foreign currency and the futures of people in my constituency will lie. Many Members will be familiar with the export orders that have been placed with Saudi Arabia and BAE Systems' work in that country and throughout the middle east, but I call upon the Government to continue that excellent work and gradually drive forward the work of BAE Systems and its work force in securing those export orders. I refer the Minister to the Prime Minister's recent visit to India, where we secured a substantial order for Hawk jets, because I do not believe that BAE Systems, great though it is, could have achieved that without significant Government help at the highest level.

Graham Jones (Hyndburn) (Lab): I thank the hon. Gentleman for securing this debate. Does he agree that UK defence contracts with BAE Systems also importantly enhance our export capability, and that any reduction in UK defence contract spending will affect our capacity to export?

Mark Menzies: The hon. Gentleman makes an interesting point. We cannot be totally reliant on exports, because, if the RAF buys and uses something, that is a more powerful pitch than any sales brochure, so we have to ensure that the UK armed forces continue to place significant orders for UK military aircraft. I agree that exports are not the only solution, but, in a tough economic climate, we need to invest a considerable amount of energy in securing such exports.

I say to the Minister, please let us not be shy about getting behind BAE Systems when securing exports. The French are not shy, the Americans wheel out Barack Obama and the Russians wheel out Vladimir Putin. So, let us leave no stone unturned and use every weapon in our armoury to ensure that the United Kingdom is out there putting forward what I passionately believe to be a world-class product built by a world-class work force,

[Mark Menzies]

securing defence orders for this country and vast amounts of foreign currency potential. I call upon the Minister to support me in that.

We have 6,500 people working at Warton and about 5,000 at Samlesbury, but it is not just about numbers—it is about the quality of those jobs. Two hundred apprentices are currently going through BAE Systems military aircraft division.

Andrew Griffiths (Burton) (Con): Does my hon. Friend agree that there is a huge impact in terms of knowledge and skills that are transferable throughout manufacturing as a result of the aerospace industry, that many of the techniques and technological advances that are developed feed through into manufacturing in the UK generally, and that having a thriving, successful aerospace industry will have a huge impact on British manufacturing?

Mark Menzies: My hon. Friend makes a very valid point. He is on the record as speaking up for jobs and skills in this country.

A layman could be accused of thinking of the jobs at Warton as being about metal-bashing and nuts and bolts, but far from it. We are talking about people who are at the cutting edge of design and computer technology—the sorts of things that I, as a mere Member of Parliament, struggle to get my head around. They are absolute world leaders in their field, and they are our people—Lancashire people, on the whole. They have spent their whole lives honing their skills at Warton—they were not invented: they were grown. We need to recognise the contribution that those skills make to the economy, as well as their transferable nature and the fact that many component manufacturers can look to the military aircraft division and take some of the lessons from that sector to use in their own sectors.

Gordon Birtwistle (Burnley) (LD): Does my hon. Friend accept that not only the people at Warton and Samlesbury are involved in this, but the people at Rolls-Royce who develop and build the engines and avionics? In making his comments on the Eurofighter, would he like to include the F-35, which is being developed, alongside in the USA, at Samlesbury and at Warton? It would be helpful if my hon. Friend the Minister, or even the Prime Minister, could get some clarity from the American Administration on how they intend to progress development of the engine for the F-35. That would create thousands of jobs, because that aeroplane is needed in vast quantities by the USA. Those are the very products that are being built in the UK, at Rolls-Royce and in Samlesbury, for the new F-35 fighter.

Mark Menzies: I wholeheartedly endorse what my hon. Friend has said about the F-35. Indeed, we are very lucky this evening to be joined by members of the trade union movement from Samlesbury who are in the Public Gallery. Before I came into the Chamber, I was reminded of the importance of the F-35. Were I to forget to mention it, I would have very much failed in my duty to represent their wishes.

Graham Jones: One of the worries is that if the Eurofighter is withdrawn to a significant extent from Samlesbury, we run the risk of part of the development of the F-35 being withdrawn to the United States. There is always a risk, especially with high unemployment in the US, that the Americans will be looking to US manufacturing to take on what are essentially US jobs. The Eurofighter keeps that anchor in the UK and in Lancashire.

Mark Menzies: The hon. Gentleman raises an interesting concern. However, I am sure, from my conversations with BAE Systems, that the nature of the contract is robust enough, and the commitments from this Government are clear enough, that there will be a good future at Samlesbury. The Minister is bound by a difficulty in being able to give details about the F-35, but any that he can provide will be incredibly welcome.

I want to be generous in giving others time, because I know that colleagues wish to make some points. My final point is that the future of the UK military aircraft division, which is based at Warton but also has a significant element at Samlesbury, is not just about the regional economy of the north-west, or about jobs, vital though those matters are. It is about the UK being serious about ever again being able to play a role through a strategic, sovereign capability to manufacture our own aircraft, own our own technology, develop our own high-tech skills base and continue to be a world leader in what we do. It is also fundamental to achieving the objective of rebalancing the economy that the Prime Minister and the Chancellor of the Exchequer have set out. If we fail to take that into account and to get behind the UK military aircraft sector, not only will the north-west lose out but the entire UK economy will be much the poorer. I ask the Minister to get behind exports, do what he can for the future of the F-35 and the Typhoon, and let us really make a difference.

5.45 pm

Mark Hendrick (Preston) (Lab/Co-op): I congratulate my neighbour, the hon. Member for Fylde (Mark Menzies), on securing the debate. I reiterate his point that I am sure your fellow Deputy Speakers would have loved to speak in the debate, Madam Deputy Speaker. Indeed, I am sure that you would have been keen to take part as well, given the constituency interest.

Aerospace is an industry that touches every part of the UK economy, including the south-west, but nowhere more than the north-west. We in the north-west are extremely concerned about the job losses that will almost definitely occur there in the coming months, particularly at Samlesbury and Warton. We know that 149 jobs are likely to go at the former and 298 at the latter. Having spoken to both management and the unions, we are aware of the reduction in work on Airbus components at Samlesbury. I am sure that that matter also affects your constituents at Filton, Madam Deputy Speaker. We know about the valuable work on the Tornado, the Harrier and the Hawk that has taken place at Warton in the past. I will be honest in saying that the announcements about reductions in the Tornado and Harrier fleets were made before the general election, but we are also concerned about future plans. I shall touch on that later.

The work force have been given about 90 days to be consulted by the management on jobs. Hundreds of jobs were lost in the industry last year, including at the Warton and Samlesbury plants. We hoped that there would then be a tailing-off of job losses, and I am angry

that they are continuing and are likely to continue further as a result of the Government's strategic defence review.

We must attempt to minimise job losses where possible. I do not want anybody from either plant to be made compulsorily redundant. However, I understand that they just about scraped through last year with voluntary redundancies, so it will be much more difficult this year. Many workers there who are friends of mine, and their families, are concerned about their economic future and their careers, having spent decades at the two plants that are going under.

It is particularly heartbreaking that many skilled manufacturing jobs have gone abroad over the past five decades, especially with the growth of the European Community, now the European Union, and globalisation. The north-west is proud that we still have a much higher percentage of the population engaged in manufacturing than elsewhere, and in the Preston and central Lancashire area the percentage is the highest in the country. That is under threat now.

We have been making aircraft in the Preston area for more than 100 years, and aircraft that fought in both world wars were built in and around my constituency. They used to be built to fight against countries such as Germany. We now build aircraft in co-operation with Germany. Europe has been at peace for decades and we want that to continue. Indeed, we want peace on a global scale, but while there is no guarantee of that, defence equipment will always be needed, and it must be manufactured. This country is particularly good at that and has an extremely high technological base.

I trained as an electronics engineer and computer scientist. I worked in those jobs in my professional life in both the public and the private sectors before entering politics. As the hon. Member for Fylde said, engineering is not about metal-bashing. Of course, many skills, including metal-bashing, have survived for generations, but many of the skills that are coming on stream are highly technical and advanced, particularly in computer-aided design, and we are the envy of the world in many areas of manufacturing. We lead the world in stealth technology—I have seen the world-beating stealth technology manufactured at Warton—and are ahead of the Americans, the Israelis and the French. The hon. Gentleman also mentioned the unmanned vehicles that we are developing.

We have already lost many manufacturing industries to countries such as Germany, Japan and China, particularly in the consumer electronics field, but one area in which we excel is the manufacture of defence equipment. We need that to continue, which is why we should do everything in our power to protect jobs and the high-tech industries such as those in the north-west.

Andrew Griffiths: The hon. Gentleman mentioned the loss of manufacturing jobs overseas. Does he agree that in 13 years under the previous Government, there was an unprecedented collapse in manufacturing in this country, when it declined three times faster than under Margaret Thatcher?

Mark Hendrick: I accept that there has been a loss of jobs in manufacturing, but that trend has continued since the 1960s under Governments of both persuasions. I say that as an engineer rather than as a politician. As technology advances, computers can do many jobs that humans used to do, and a section of an aircraft that used to be made of 100 parts can now be made of two or three. I would not try to be party political on manufacturing. Nobody did more to defend jobs than the previous Labour Government. Every contract that could be given to British Aerospace, which is now called BAE Systems, was given to it, and order books were full. We were looking forward to decades of further production at the company, so we will not take any lessons from the Conservatives.

John Woodcock (Barrow and Furness) (Lab/Co-op): My hon. Friend's point about general manufacturing is important, but does he agree that defence industry manufacturing has been completely different from much of the rest of the picture? Defence manufacturing has been a strength in the past 10 years, especially given the number of jobs that have been created. The danger is that we could lose capacity over the next decade and the capability to lead the world in a range of areas, including, of course, shipbuilding.

Mark Hendrick: My hon. Friend makes a very important point. We are not here to talk about aircraft carriers, but they are important to the future of both Warton and Samlesbury. Manufacturing the two aircraft carriers in places such as Barrow would support many industries in the north and north-west, but they are under consideration in the strategic defence review. Bluntly, if the carriers do not go ahead, the need for the aircraft to go on them will be called into question, as will our share of the F-35 joint strike fighter programme. We are currently guaranteed 12 to 15% of those contracts with Lockheed Martin. The Government are sailing close to the wind when it comes to maintaining our share of that work unless a commitment is made to the aircraft carriers.

We are playing for high stakes, because at threat is the future of Britain as a defence manufacturing nation. We have lost a lot of consumer manufacturing to the likes of Germany, Japan and China, and it is essential that we maintain our expertise and technological base in defence manufacturing. Otherwise, not only will the jobs and livelihoods of people in the north-west economy suffer, but the nation will suffer, because we will not punch the same weight or have the same GDP. We will be a much poorer nation as a result. Aerospace is the jewel in the north-west's economic crown.

On the strategic defence review, the Typhoon programme is extremely important. Exports are important, as is take-up by the four partner nations in that programme. Before the general election, I was disappointed to see the Liberal Democrats make it plain that they would not continue tranche 3B of the Eurofighter Typhoon, against the wishes of many in the north-west. It is a disgrace that so many Liberal Democrats can take a view that threatens so many jobs in the north-west, especially when so many were silent on the issue during the election, especially my opponent in Preston. The Labour Government signed up to tranche 3A, so we showed our commitment, and I call on the Government to show their commitment not only to Typhoon, but to the aircraft carriers, the design and preparation for which are well under way.

The skills of a generation of the work force at Warton and Samlesbury will be put at risk. Last year, 200 jobs went at Samlesbury, leaving only 4,200 jobs. The hon.

[Mark Hendrick]

Member for Fylde mentioned the figure of 5,000, but 4,200 is the actual figure—a loss of more than 25%. The situation is similar at Warton. I do not want to see anyone lose their job, but it is surprising that executive jobs have not been greatly affected. Only one executive job will be lost over both sites, which seems unbalanced.

The announcement that 1,000 jobs will be lost across the country in BAE Systems is a tragedy, but I shudder to think what the strategic defence review will reveal after November when it is completed. That announcement may be just the tip of the iceberg of job losses, and the Government will rue the day if they make significant cuts and these major programmes disappear, as those decisions will be reflected at the ballot box at the next general election.

5.58 pm

Paul Maynard (Blackpool North and Cleveleys) (Con): I congratulate my hon. Friend the Member for Fylde (Mark Menzies) on securing this debate. Unlike the hon. Member for Preston (Mark Hendrick), I do not intend to tempt the Minister to prejudge the outcome of the strategic defence review, nor will I engage in self-indulgent scaremongering about possible outcomes. There are more than enough armchair generals, bath-tub admirals and heaven knows who else opining in the letters columns of the national press about what form the future force configuration should take, and we do not need to debate that tonight.

Mark Hendrick: I do not want to hog the debate, as I have already spoken at length but the hon. Gentleman will recognise that before the general election we made it plain that we would cut the deficit by 50% over four years. With a party now in government saying it will attempt to cut the deficit totally in five years, hon. Members can draw their own conclusions.

Paul Maynard: I thank the hon. Gentleman for that intervention, but people's jobs depend on decisions being made now, and I do not intend to engage in self-indulgent scaremongering. He may wish to do so on behalf of his constituents, to whom he is responsible, but I do not intend to adopt a similar position.

John Woodcock: Will the hon. Gentleman give way?

Paul Maynard: No, because I have a number of things I want to say.

We are here to discuss the UK military aviation industry, not the outcomes of the strategic defence review. There are two important aspects to consider. First, there are the potential changes to UK Government orders that we do not know about, and which we will not find out about tonight, however much Opposition Members may wish otherwise. I do not expect that, and I am sure that many other Conservative Members do not expect it either. However, we can discuss the important steps taken by the Government to promote exports. I was interested to hear the hon. Member for Preston (Mark Hendrick) discuss the need to improve exports. The hon. Member for Hyndburn (Graham Jones) said it was no substitute for investment by the UK Government. We had 13 years of a Labour Government who failed to take seriously the promotion of UK exports. I heard it time and time again, even from active trade unionists, that BAE Systems—

Andrew Percy (Brigg and Goole) (Con): Does my hon. Friend think that the absence of the Opposition Front-Bench team is a further sign of the importance they place on this matter?

Madam Deputy Speaker (Dawn Primarolo): Order. This is an Adjournment debate, so the hon. Gentleman's point is not relevant. I hope that Members will return to the aviation industry.

Paul Maynard: Export industry is crucial, and improved Government support for it—

John Woodcock: Will the hon. Gentleman give way?

Paul Maynard: No, I am not prepared to give way.

John Woodcock: The hon. Gentleman gave way to his hon. Friend just now.

Paul Maynard: No, I am sorry. I am not prepared to give way.

As my hon. Friend the Member for Fylde said, a recent trip to India resulted in a much improved Hawk order. However, I would like to make one observation to the Minister that I hope he will bear in mind. There is no finer advertisement for the British military aviation industry than the Red Arrows. I hope that he will bear that in mind when he is considering the wider issues of the strategic defence review.

Tonight's debate should not be about BAE Systems only. I realise it is a major player in the UK military aviation industry, but it is not the sole player. In the north-west, we have the North West Aerospace Alliance, which has made an enormous effort to develop a world-class supply chain that includes not just BAE Systems—

Graham Jones: Will the hon. Gentleman give way?

Paul Maynard: If I must.

Graham Jones: Put simply, if the RAF or the British Government will not buy Typhoons, why should any other country? It is a really poor advert. Does the hon. Gentleman accept that the strength of our exports will come from our confidence in our own products and UK manufacturing base? He seems to be arguing the opposite, which I do not fully understand. That is an important point that he needs to focus on—

Madam Deputy Speaker: Order. This is an Adjournment debate, which is going a little longer tonight because of the time. The debate is in the name of the hon. Member for Fylde (Mark Menzies). *[Interruption.]* Will the hon. Member for Blackpool North and Cleveleys (Paul Maynard) please resume his seat while I am on my feet? Thank you. Interventions are to be brief. It is a Back-Bench debate and should refer to the title and subject of the debate. If Members want to speak, they should stand and hope they get in.

Paul Maynard: I appreciate your guidance, Madam Deputy Speaker.

I want to talk about the importance of sovereign capability in terms of our military aviation industry. Many people might regard the notion of sovereign capability as something nostalgic. At the moment, we are celebrating the 70th anniversary of the battle of Britain, and many people are saying how fortunate we were in those days to be able to generate our own aircraft, make them within our own shores and defend our shores against our enemies, and that we should continue that in the future. I would be cautious, however, about basing any arguments for sovereign capability on nostalgia, tempting as that might be, but sovereign capability matters. It is an important concept that the Government have to buy into, because we do not know what is around the corner or what the future holds. We do not know whether we can rely on those on whom we have relied in the past. The world is full of unknowns, and sovereign capability is our sole protection from them.

I therefore ask the Government to consider carefully the ways in which they can support sovereign capability, and to look beyond defining it simply in terms of whether shipyard X or aircraft factory Y remains open. With regard to military aviation, I ask the Minister to consider how the Government can use some of the things that they are already doing to protect sovereign capability, in particular through the important changes being made with the introduction of local enterprise partnerships. It is important that the Ministry of Defence speak to other Departments to consider how the newly emerging LEPs can best be allocated to strategic areas, which can then underpin particular subsections of the defence industry. A good example would be the application by Blackpool, Fylde and Wyre to have a local enterprise partnership focusing on the aeronautical supply chain, which I discussed earlier. That is one way in which Government innovation can help to support sovereign capability without having to invest just to keep things open.

David Morris (Morecambe and Lunesdale) (Con): One thing that must also be considered when talking about the area of north-west England for which my hon. Friend is a Member—quite a few Members are from there—is that places such as Samlesbury and Warton form an area of excellence that is the silicon valley, as it were, of the defence aviation industry. We have only to look back at what happened in the 1960s when the Wilson Government cut the TSR2. We had a world-beating product, but it was shredded because of what was happening at the time in the political framework. My hon. Friend is correct about the allocation of funding. We have to preserve not just the jobs, but the scientific—

Madam Deputy Speaker: Order. I said just a moment ago that interventions needed to be brief. That is a general rule of the House. The hon. Gentleman should not use the opportunity of an intervention to make a speech. I am sure that his hon. Friend has got the gist of his point now.

Paul Maynard: I agree with it fully, so I thank my hon. Friend for his comments.

The other Department that I would like the Minister to talk to is the Department for Education. It is a common complaint across Government as a whole that science education is somehow in decline. When I was fortunate enough to tour BAE Systems in Warton, I saw many highly skilled people who had engaged in scientific educational training. They had their physics and their chemistry: they knew what they were doing when it came to science. That is one important reason for ensuring that we emphasise why more students should get science-based qualifications that lead to careers in important defence-based industries—in particular military aviation—and underpin the protection of our sovereign capability.

I hope that the Minister will take both those ideas away and do something with them. Sovereign capability matters. It needs to be more than just a phrase that gets deployed in debates such as this, and we need to do more than depend on nostalgia to underpin it. I hope that he will consider that. We have something that we can be enormously proud of in the UK military aviation industry but, like anything, it must be constantly burnished and kept up to scratch. I hope that the Minister will tell us how he intends to do that when he responds to this debate.

6.9 pm

John Woodcock (Barrow and Furness) (Lab/Co-op): I had not originally intended to speak in this debate. I will try to make my contribution brief, but it is important to make a contribution, in part to correct some of the misconceptions spread by the previous speech and, to an extent, by previous interventions.

First, I agree with the hon. Member for Blackpool North and Cleveleys (Paul Maynard) on sovereign capability. It is important that we maintain that in the years ahead. The aviation industry in the north-west offers prime examples of the ways in which we have been able to lead the world, and it is vital that we continue to do so. I hope that the Minister will bear this in mind as we approach at breakneck speed the conclusions of the strategic defence and security review.

Hon. Members on both sides of the House should support the Government's drive to improve the standing of our exports. We can sustain many jobs by increasing our exports, not only in the aviation industry in the north-west but right across the defence industry. We can also improve the UK's standing in the world, and our military and diplomatic influences, by doing so. Let us not pretend, however, that the situation is dire at the moment, or that the previous Labour Government ran us into the ground. I am sure that the Minister is aware—although I am not sure whether the hon. Member for Blackpool North and Cleveleys is—that this country punches roughly three times above its natural weight in its exports industry. We should be proud of that, and the kind of partisan remarks that the hon. Member for Blackpool North and Cleveleys has just made do the defence industry and those who work in it a disservice.

I want the Typhoon to play an important part in the areas that I have just mentioned, and in sustaining the economy. It will do so, however, only if we take a mature attitude to exports and, as my hon. Friend the Member for Preston (Mark Hendrick) said, if we buy this kit ourselves. The first question that any foreign Government will ask when we rock up at their door and try to sell them this kit or anything else is, "Are you

[John Woodcock]

using it yourself?" If we are not, why on earth should they buy it? I very much hope that the laudable rhetoric that is coming from the Government at the moment will be sustained by a proper strategy that will enable us to acquire this kit and help us to export it overseas.

I want to mention scaremongering in regard to jobs. There is an important role for Members of Parliament in standing up for employment in their constituencies and their regions, and I think that many hon. Members on the other side of the House get that. I hope that the hon. Member for Blackpool North and Cleveleys understands it as well. It is not dishonourable to speak up for the potential industrial consequences of the decisions that are about to be made. I am a member of the cross-party Defence Committee, which has just concluded that some of those decisions could put at risk our long-term security, as well as our defence industry and the industrial base that it sustains.

Graham Jones: I note that, yesterday, the Minister said that the UK was the second most successful exporter of defence products in 2009, with orders worth more than £7 billion. Would my hon. Friend like to comment on that?

John Woodcock: My hon. Friend provides evidence for what I was saying earlier. We are a successful country, but we want to become even more successful. We shall need to do that in an environment that is going to be very tough in the years ahead. Other counties are retrenching their budgets just as we are, but it is important that we take a mature attitude to this.

Returning to my point about jobs and about the industrial base that the defence industry sustains, I wonder whether the Minister and the hon. Member for Blackpool North and Cleveleys are aware of the evidence that the chief executive of BAE Systems and other senior members of the defence industry gave to the Defence Committee last week. They pointed out that we are on the verge of decisions that we risk getting wrong. Alarm was expressed within the industry among the speakers who gave evidence to the Defence Committee last week. If we get this wrong, they said, we could lose our capability in the north-west—in aviation, shipbuilding and right across the piece—in a way that will have devastating consequences for employment. If in five or 10 years' time, we decide that we need this capability, we will find that the employment base needed to sustain it has gone—never to return. If the hon. Member for Blackpool North and Cleveleys believes that those people were scaremongering when they said that, I hope he will stand up and make his view clear. I certainly do not think that they were, as this is a serious issue that will have to be dealt with.

In conclusion, it is so important to sustain capacity at Samlesbury and Warton—for the reasons I have just set out, but additionally because if the north-west takes the right decisions and the Government support it, and developing a defence and industrial policy following the strategic defence review will be critical—that could strengthen and augment its position as playing a leading part in the country and the world in producing world-class industrial products to serve our armed forces here and to export across the globe. The decisions made now and in the coming weeks and months will be critical.

6.17 pm

Andrew Stephenson (Pendle) (Con): I congratulate my hon. Friend the Member for Fylde (Mark Menzies) on securing this important debate. I agree with everything he said; I know he has worked tirelessly on this issue for many months. I am also pleased that the hon. Member for Barrow and Furness (John Woodcock) struck a slightly more positive note. I do not think that all is doom and gloom; we should celebrate the success stories as well, so I am grateful that some Members have reflected that.

I shall start by focusing on some of the positives in the north-west of England. The aerospace sector there has long been recognised as one of Europe's leading industrial clusters and as a model for development within the aerospace and other industries. In my Pendle constituency, a number of significant firms are dependent on the aviation industry and on military contracts in particular.

As recently as Defence questions on Monday this week, I raised the importance of military aviation. I was reassured by what the Minister had to say. I pointed out to him that on the previous Saturday I had visited Euravia, a company that repairs and overhauls aircraft engines located in Kelbrook in my constituency. I was there to attend the event at which the company was presented with the Queen's award for enterprise in the international trade category. Despite the recession, that firm had seen a growth in orders and was significantly increasing its overseas trade, starting to explore new and exciting opportunities. I believe that such businesses are leading the way in showing how other firms in the aerospace sector should behave—developing the skills of their workers, attaining an international reputation for high standards and good customer service, and always looking for new contracts abroad in case contracts in the UK dry up.

In underlining the importance of the aviation industry to my constituency, I point out that Rolls-Royce is the largest employer, with more than 1,000 workers in Barnoldswick producing engine fan blades. I was particularly delighted to have been able to take my right hon. Friend the Chancellor of the Exchequer to visit Rolls-Royce prior to the election; I know that he is acutely aware of the importance of the aviation industry in Lancashire. I find it encouraging that in recent months Rolls-Royce has announced a string of deals, including one worth £1.1 billion at the Farnborough airshow. In July, the company unveiled detailed plans for a new £30 million aerodrome at its site in my constituency. This extension of the current site is where it will build fan blades for the F-35 joint strike fighter, which colleagues mentioned earlier in the debate. The extension will create about 100 new jobs in my constituency, although that will depend on approval from the President of the United States, Barack Obama, for the Rolls-Royce F-35 engine.

I know that the Government have already been working closely with Rolls-Royce to help it to secure more business. I was particularly pleased to see bosses from Rolls-Royce and BAE Systems accompanying the Prime Minister on his recent visit to India. I really do see aviation exports as key, and I am therefore delighted that unlike Ministers in the last Government, Ministers in the present Government are proactively helping our businesses to win contracts abroad.

Graham Jones: I question that last point. All the previous tranches, up to 3A, went through under a Labour Government, but tranche 3B, on which many Members are now focusing, is in doubt under the coalition Government. How can the hon. Gentleman justify his comment, given that all the previous contracts were honoured by the Labour Government, whereas the new Government are considering reviewing and perhaps cutting a future contract, 3B?

Andrew Stephenson: I am happy to justify my comment by asking how the hon. Gentleman justifies the Labour Government's huge overspends, and the massive deficit that they built up when their expenditure was out of control. Clearly they should have got spending under control, and should have conducted a strategic defence review instead of delaying the pain until now.

The importance of big aerospace contractors such as Rolls-Royce and BAE Systems to Pendle, Lancashire and the United Kingdom economy should not be underestimated. As my hon. Friend the Member for Fylde pointed out, there is a significant number of subcontractors and support companies. The average job in aerospace contributes £75,000 gross value added to the economy, and the figure rises to £115,000 at BAE Systems, compared to only about £15,000 gross value added per job in other sectors in Lancashire. I have noticed when I have spoken to business men in my constituency how many of them started off as apprentices at either BAE Systems or Rolls-Royce.

Many Opposition Members have expressed concern about the potential impact of the strategic defence and security review on the military aviation industry. We have already had a debate today about who has been fuelling scare stories in the press. I believe that hon. Members have a responsibility not to fuel scare stories: I do not think that they do anything for workers' morale. I suggest, however, that the biggest risk to our military aviation is not the strategic defence and security review, but the muddled and incoherent programme left by the last Government.

Before Opposition Members lecture the coalition Government on the financial implications of reviewing certain defence contracts, they should remember that with a defence budget of some £35 billion a year, they left behind an overspend in the equipment programme that will amount to £38 billion by 2020. That is what we must deal with now, and that is why we are carrying out a full review of all the current contracts.

I used my maiden speech to explain the need for us to build a high-skilled economy, and I specifically mentioned the importance of the aviation industry. So far I have been very encouraged by the measures that Ministers have taken to support military aviation, but I urge them to do even more to support that vital sector.

6.23 pm

Andrew Percy (Brigg and Goole) (Con): I congratulate my hon. Friend the Member for Fylde (Mark Menzies) on securing what has turned out to be a longer debate than we might have expected. It has given many more Members a chance to make speeches, some more political than others.

I want to break the Lancashire stranglehold on the debate—or rather the north-western stranglehold. I used to teach geography too, so I apologise to the hon. Member for Barrow and Furness (John Woodcock). My constituency has been very much affected by the proposal for job losses at the BAE Systems site at Brough. My right hon. Friend the Member for Haltemprice and Howden (Mr Davis) and the right hon. Member for Kingston upon Hull West and Hessle (Alan Johnson) have been engaged in cross-party work in relation to that proposal, and over the past few years they have also worked closely together to help to secure contracts for the continuation of the site.

The BAE Systems site at Brough has a huge impact on our area. In recent years we have struggled in respect of manufacturing jobs, as has the rest of the country, and the continuation of the Brough site is greatly valued by local people. It gives young people in the area some aspiration that they might have a future job in manufacturing. I know all about that. I grew up in the area, attending a comprehensive school in Hull, and one of the most secure prospects we had was the possibility of going into apprenticeships at either BAE Systems at Brough or BP at Saltend.

I cannot over-emphasise the value of BAE Systems and the Brough site to our local economy and education facilities. It is heavily involved in local schools in my constituency and across the East Riding, and probably beyond that. Its educational roadshow is run from Brough and it has thus far received about 5,000 young people from the ages of nine to 13, bringing them on to the site to see what the possibilities for them there might be, and perhaps sparking an interest in manufacturing and in pursuing that interest in their own educational futures. BAE Systems is also heavily involved with the local secondary schools and every year provides a number of apprenticeships to local schools. All that is a success story for our region, so I do not want anybody to leave this debate with any impression other than that the existence of the Brough site in our local area is entirely positive.

The links go far and wide. The current mayor of Goole is an employee at Brough BAE Systems, as is the husband of my secretary in the constituency. Perhaps I should therefore declare an interest, although many more people than just those two are employed there—and, in fact, the mayor of Goole is a Labour party member so I am working cross-party in that respect.

There have been a number of challenges to the Brough factory in recent years. It is heavily reliant on Hawk contracts, for instance, and a couple of years ago there were a number of job losses. My right hon. Friend the Member for Haltemprice and Howden and the right hon. Member for Kingston upon Hull West and Hessle worked incredibly closely to try to alleviate the pain of that. Following the problems back in 2008 and earlier we got an assurance from BAE Systems that the over-reliance on the Hawk contracts at Brough would cease and that it would seek to broaden the work undertaken there. However, I can only repeat what the right hon. Member for Kingston upon Hull West and Hessle has said in response to the latest threats to Brough:

> "So with the first test of this so-called transitional plan, which only ended in December, it has failed and I think this is a breach of faith."

There are certainly those in the Brough work force who would share the sentiment that despite the assurances BAE Systems gave some years ago, the continued reliance on Hawk has led us to the position we are now in. I urge

[Andrew Percy]

the Minister to give us assurances this evening in whatever way he can that the Government will put as much pressure as possible on BAE Systems to ensure that the work undertaken at Brough is broadened in furtherance of the agreement of some two years ago.

It is also important to pay tribute to the unions at the Brough site. Every time there have been threats to jobs at Brough, they have engaged in a positive way with management, local elected representatives and the local councils, who are also incredibly supportive of the site. As we move forward in addressing difficult decisions more generally, the nature of their engagement might serve as a lesson to others about what can be achieved when we have a proper positive partnership between unions, staff and management. I hope others will take a lead from the engagement at Brough as they face their own issues in coming months and years.

I also seek some assurances from the Minister this evening on the future of the Hawk contracts. We have not been able to get to the bottom of that. We are told that there are three countries, two of which have been named—one as country X, for whatever reason—where there are potential Hawk contracts ready to be signed. What is different about the current position at Brough, where about 210 jobs are under threat, is that this seems to have come as a bolt out of the blue. When there has been a threat to jobs in the past, the management at BAE Systems have engaged positively with local Members of Parliament, the local councils and the work force to see what pressure can be applied, wherever, to try to alleviate the problems. This time, the threat seems to have come out of the blue, so we are unclear as to what exactly the contracts are, at what point the Hawk contracts are at and whether indeed there are any contracts. The securing of one of these contracts would put the site on a secure footing for a couple of years. If the Minister is unable to respond this evening to those points, I urge him to take them up with BAE Systems and respond to the work force and MPs as soon as possible.

It is also important to welcome the new Government's movement on the so-called "commercial foreign policy", because this is something we need. I heard with interest the comments about the success of the UK's aerospace industry over the past few years. It did not happen overnight or in the past 13 years; it happened because of decisions taken decades ago, many of them in the 1980s and often in the teeth of opposition, because of the nature of the work involved, from the Labour party—depending on who gets its leadership, we might see that again in the future. Those tough and important decisions taken in the national interest decades ago have led to the successful industry we have in this country today.

John Woodcock: The hon. Gentleman makes persuasive points, but does he not think that they underline the importance of the decisions that we are going to take next month in ensuring that the next two decades can continue to provide export growth?

Andrew Percy: I do think that, but Labour Members have absolutely no credibility on this issue. They could and should have undertaken the strategic defence review a number of years ago, and they have left us in the current financial position. They must accept that the decisions being taken today are not down to this Government, but down to our inheritance from the previous one.

Mark Hendrick: Will the hon. Gentleman give way?

Andrew Percy: No, I am not going to give way to the hon. Gentleman, because I fear that we will end up getting into too much of a political debate. Perhaps I have contributed to that, and I apologise, so I shall now focus much more on the positives of how we can make progress.

There is the potential for us to work on a cross-party basis and for MPs representing different parts of the country to work together to protect their local work forces. The Government have got the right idea about going out there and selling for Britain. I take the point that the hon. Member for Barrow and Furness made about the fact that we must prove our commitment to our products, and I am sure that the Minister will have heard what he said. Tough decisions lie ahead, but as long as this dialogue takes place early, the announcements do not come out of the blue and we are given the full information about where we are at, particularly on the Hawk contracts and the Brough site, we can perhaps alleviate many of the current threats to jobs.

I conclude by, again, emphasising that the Brough site has a highly skilled and dedicated work force, who are an important part of not only the local economy, but the national economy. We have to get real about this commitment to improving manufacturing in this country, and there we have an excellent example that can be drawn upon for use in other areas of Government policy. I urge the Government to do all that they can to work with BAE Systems, to protect jobs not only in Brough and my patch, but across the whole industry. It is a huge success story for our country, and I look forward to the Minister's response.

6.33 pm

Gordon Birtwistle (Burnley) (LD): I congratulate the hon. Member for Fylde (Mark Menzies) on managing to get this important issue on the agenda this evening. I have worked in the aerospace industry for more than 40 years, and I can remember working on the old Phantom engine at Lucas Aerospace many, many years ago. Amazingly, some of those engines are still being used in jet fighters in underdeveloped countries.

It is important to remember that this country can no longer afford to develop new military aerospace equipment, because it is far too expensive for a single country to do that. The European countries of Germany and Spain—the ones involved in the Eurofighter contracts—have appreciated that. One thing that concerns me a little is that although the Eurofighter is being built at the moment, we should be developing the next stage of military aircraft now. A new aircraft does not just happen tomorrow—it takes years and years to develop. I hope that the European Union, in collaboration with all the aerospace companies, is starting to consider the next combat plane that will have to be developed after Eurofighter finishes.

Eurofighter is being built at Samlesbury, near Preston, but the biggest contract for Preston would be one that has already been mentioned: the F-35. Our requirements

for the F-35 are negligible compared with what the USA wants. I understand that it is considering somewhere in the region of 3,000 of these aeroplanes. Quite a large number of them will be built in Lancashire at Samlesbury and Warton. I hope that the Minister can press the USA to take final decisions on engine design and engine contracts, because I know that Rolls-Royce at Barnoldswick is urgently awaiting the contract.

Graham Jones: The hon. Gentleman makes some excellent points and I agree with him. I am concerned about our capacity at Warton if we are solely reliant on the F-35 and the Eurofighter is cancelled or reduced. The F-35 is assembled not in the UK but in the USA, so we will not need the runway at Warton and we will lose our capacity. There are ongoing issues when we rely totally on the F-35. We should not be doing that; we should be trying to keep our European bases, which is the point that he is making.

Gordon Birtwistle: All military aircraft go out of fashion. By the time the Eurofighter was developed, the countries that would potentially be our enemies were already developing systems to combat it. We have to accept that, as it has gone on for ever. I remember the TSR2—not many people in this Chamber will remember that—which got almost to the point of taking off when the then Labour Government cancelled it. This has nothing to do with politics, really—it has to do with collaboration between countries across the world in developing the fighters.

One thing that I want quickly to mention is the link between military aircraft and commercial aircraft. Modern aeroplanes, such as the Airbus, are built around the technology that has been developed over many years in military aircraft. The fly-by-wire in the Airbus was initially developed in the early stages of the English Electric Lightning aircraft and was developed further for commercial aircraft. Military aircraft sales in this country are very high—I accept that—but they pale into insignificance when they are linked to the sales of commercial airliners.

Rolls-Royce is one of the manufacturers, and much is built in Burnley—the thrust reversers are built at Aircelle. The contracts for the Trent engine and the Airbus wings all involve products that have been developed from old military technology.

Mark Hendrick: I totally agree with the hon. Gentleman. As a young engineer, I trained at the Royal Signals and Radar Establishment. Liquid crystal was one of the products that was developed there for military use. As we know, that has formed the basis of television sets sold in millions around the world. That is a technology that we developed and that we are not exploiting as a nation because the sets are made in other countries in the far east. The loss of any industry in the north-west would mean that we would lose the spin-off industry, as well as the direct industries that he talks about.

Gordon Birtwistle: Yes, that is another industry that developed from military aircraft. My link is from military to commercial and concerns the potential for sales of commercial equipment—that is, the new Trent XWB Rolls-Royce engine that we hope will power the new family of single-aisle aircraft after the Boeing 737s and A320s have finished their lives. All that technology starts in the military field because commercial companies cannot afford to develop the technology. They live off what they get from the Government to develop technologies to power military aircraft, and that spins off into commercial aircraft. When the Government order military aircraft, they might—indeed, I am sure they do—contribute to the development of commercial airliners and engines in this country. Thousands of people work in that industry and we are world leaders in it. We probably produce the best aircraft wings ever built and Boeing is certainly a big customer of many manufacturers in this country, particularly Rolls-Royce, whose Trent engine powers the new Dreamliner, the 777, most of the Boeing 737s and the majority of the Airbus aeroplanes. Hon. Members will know that the new A380 is powered by the new Trent 900 engine.

It is important to keep military aircraft going, but it is also important to keep a focus on the cost of doing so and the cost of developing those aircraft. I understand that Eurofighters cost about £20 million apiece. It is important to link all that together and consider the development of commercial equipment that spins off from military equipment. As I have said, military equipment comes and goes—in my life, I have seen some aircraft cancelled and some that are developed go on to be very successful—but it is important to focus on what we can get from the development of military equipment into commercial equipment, as that is where all the money is made by companies that work in that industry.

6.41 pm

Graham Jones (Hyndburn) (Lab): The hon. Member for Burnley (Gordon Birtwistle) made a good point about cross-subsidy. We can look at BAE Systems and start from there. It spends £101,000 for every £1 million—10% of its revenue—on research and development, and it is the third-highest of 850 UK firms when it comes to R and D. He made the tremendous point that any reduction in our military or industrial base will affect commercial opportunities and other businesses in the north-west and the UK.

This is not a two-sided argument, as some Government Members have characterised it. It is not about deficit reduction or increased national debt, and I am very concerned that the Treasury is leading on this issue rather than the Ministry of Defence. The arguments between the Chancellor and the MOD do not serve the country or the aviation industry well, and statements such as that by the Secretary of State for Defence that we will buy "off the shelf" are very unhelpful.

The hon. Member for Blackpool North and Cleveleys (Paul Maynard) talked about scaremongering. When workers hear those kinds of comments and see job losses, they are naturally concerned. As my hon. Friend the Member for Barrow and Furness (John Woodcock) said, they have every right to approach their Member of Parliament and expect them to stand up on their behalf and for their jobs and families. They also have sense in that they understand that the sector is part of the UK's industrial base, especially in Lancashire and the north-west.

I think we are all aware of the UK's industrial base. I want to read out three points from the plethora that have been raised with me. First, the UK is the world leader in the manufacture of aircraft wings and engines, as the hon. Member for Burnley pointed out, and has a 35% market share in the sale of engines, which is worth

[Graham Jones]

more than £5.1 billion a year. Secondly, defence exports are generally worth £5 billion a year to the UK economy and support 65,000 jobs. Thirdly, according to the Government's 2009 value added scoreboard, the aerospace and defence sector added £12 billion in value to the economy. The average value added per employee in the industry was very high, as the hon. Member for Pendle (Andrew Stephenson) pointed out, at £116,000, whereas for general manufacturing the figure is £15,500 per employee in Lancashire. The £116,000 figure also compares well with those for other industries. The sector is one of Britain's success stories, as has been pointed out.

This is not about scaremongering. The hon. Gentleman is right that it is important that these issues are raised in this place and discussed thoroughly. The citizens who elect us are the important people, not us. We are simply advocates on their behalf. They are the ones who will face redundancy and repossession when they are unable to pay the mortgage. Britain will suffer from the economic impact—and there will be an economic impact. This is not a case of pushing one domino over and perhaps two or three others falling. In the case of the defence industry, if one domino is pushed over, it is likely that the whole lot will go down, and Britain's industrial capacity in one of our best exporting sectors will then be torn away.

The north-west has a great export and manufacturing story. However, as the hon. Member for Burnley said, that has come on the back of military spending and Government contracts. The old private sector and state industries are long gone, and the heartbeat of the north-west economy is kept ticking by, if not the public service, defence and nuclear.

The Chancellor's priorities for the coalition Government are a return to manufacturing, and a focus on the private sector and on manufacturing companies that are able to export to get Britain out of the so-called deficit. The north-west's defence industry ticks all those boxes. We should look at the domino principle of how everything collapses if the industrial and skills bases are taken away. If things are turned off today, they will not come back on in five years' time. Given that the industry ticks all the boxes that the coalition has put forward, I do not understand why it would cancel any of the defence contracts.

Gordon Birtwistle: Does the hon. Gentleman agree that the age profile of a lot of the work force in the British aerospace industry, particularly in Lancashire, and the engineering industry is getting very high and that when those members of staff move, the companies should seriously consider replacing them with a major influx of new apprentices? We heard earlier that BAE Systems takes on a derisory number of apprentices compared with the number of people whom it employs.

Graham Jones: The hon. Gentleman makes the good point that a lot of skilled people in the sector developed their skills in the 1960s and 1970s. We paid the price for the great manufacturing recession of the 1980s with the loss of capacity and skills. Those in my generation are missing from the skilled group, and such unskilled people should have become skilled so that they could work in places such as Warton and Samlesbury. The history lesson from the 1980s shows that when manufacturing is hit, it does not come back, and we should take that lesson on board when we consider defence spending.

The hon. Gentleman is right to talk about apprenticeships. BAE Systems has some 200 apprentices. It spends £1 million at the university of Central Lancashire and is heavily involved in trying to bring young people through so that they get skills. On job prospects, I have heard someone—it might have been my right hon. Friend the Member for Doncaster North (Edward Miliband)—talking about Govan shipyard or Asda, and one could almost say for us that it is a supermarket or BAE. That is not quite true, but it is a lot of people's perception of job prospects. A job at British Aerospace, as it was formerly known, was something to behold because someone employed there was working for a first-class company that was one of the best in the region.

The Minister has heard a lot of evidence during the debate—all of it true—to show that we cannot afford to cancel defence contracts now.

Ben Gummer (Ipswich) (Con): The hon. Gentleman is addressing the House in a positive manner and we are with him on maintaining jobs, skills and our excellent defence export industry. However, is he edging towards suggesting what his party would be able to cut to maintain the defence expenditure that he is proposing? Government Members would be fascinated to hear what might be sacrificed so that his skills base and industry may be supported.

Graham Jones: Thank you very much for raising that. You make a very good point that there has been no dialogue—

Mr Speaker: Order. May I gently say to the hon. Gentleman that I have not made any point at all? It is important that the second person is not used. We must get into the habit of holding debates through the Chair. I know that the hon. Gentleman will wish to continue that now—we look forward to it.

Graham Jones: I apologise, Mr. Speaker. It is a result of being a new MP.

There has been little dialogue between the Government and unions. We need more discussion of the future prospects. I appeal to the coalition to engage in more dialogue and to think about the decision that it will make.

6.50 pm

David Rutley (Macclesfield) (Con): Thank you, Mr Speaker, for giving me the chance to say a few words. I had not intended to speak, but this is a stimulating and important debate. I congratulate my hon. Friend the Member for Fylde (Mark Menzies) on securing the time for a debate on such an important subject. We have heard some great remarks.

Although I had not planned to speak, the subject is important to me as the Member of Parliament for Macclesfield because in the neighbouring constituency, Cheadle, there is a big BAE site, BAE Woodford, which is a former aerodrome, as my hon. Friend the Member for Pendle (Andrew Stephenson) no doubt knows, having been raised in Poynton. Many of the work force live in

Macclesfield. Woodford is famous for the Lancaster bomber, the Vulcan, and now Nimrod. It is also famous for many well known air shows, where Concorde turned up.

BAE Woodford is symbolic of the importance of the industry to the UK. In recent decades it has seen a huge amount of investment in the new Nimrod MRA4, which is a magnificent aircraft. I have had the chance to tour the aircraft on site and it is an amazing structure. Sadly, the long-term survival of that aircraft is not guaranteed, despite the best efforts of my predecessor, Sir Nicholas Winterton, of the hon. Member for Cheadle (Mark Hunter), and of the work force and management of BAE. It is well known that the site will close in 2012.

Today we have been meeting the Minister and are extremely grateful to him for the time that he has given. We made representations about the importance of securing the remaining nine Nimrod MRA4s that we are keen to see produced, which will be vital to protect this country's Trident capability. We will see how that emerges from the strategic defence review. We are very hopeful.

It is important not just for BAE Woodford and the people who work there, but in the context of the debate, that we have a strong and vibrant aviation industry and military capability. We need that not only to find jobs for people when the 600 jobs at Woodford go in 2012—of course I am concerned about that—but in order to maintain our sovereign capability, which has been well described in the debate. We must have that at the forefront of our minds.

The other point that has been made on both sides of the House is that we need to maintain the skills and the experience that underpin this vital industry. Those are important to the economy not just of the north-west or the other side of the Pennines, but to the whole country. The industry is strategically important. I hope that on the strength of the debate, the strength of feeling and the judgments that have been made by the Minister and his colleagues, we will see the industry thrive and succeed. It will be vital in future. I hope the Minister will take note of these points, and I look forward to hearing his response later.

6.53 pm

Mr David Hanson (Delyn) (Lab): Thank you, Mr Speaker, for calling me to speak in the debate. It is always a pleasure to be able to contribute to a debate when I had not expected to do so, and today is one of those rare opportunities. I am grateful to the hon. Member for Fylde (Mark Menzies) for initiating the debate and I apologise to him for missing the commencement of it. The previous business finished earlier than we expected.

I shall use the opportunity to make a case that I have made before to the House with regard to the A400M future large aircraft, with which the Minister will be familiar. It is a major development project for future military aircraft that involves manufacturing capability in my constituency in north Wales, with the Broughton Airbus site, and also creates employment in Bristol and the Avon area.

The Minister will know that some 6,500 people are employed at the Broughton site. Many—to continue the tenor of the debate—live and work in the north-west, and many live and work in my constituency in north Wales. Indeed, some 2,000 of the people who work at that plant are based in my constituency, and they are very concerned to ensure that the A400M aircraft is developed, purchased and built, and that the relevant skills are grown, to ensure that we meet the needs not only of the military, but of the skills base in the private sector.

The Minister will know that my right hon. Friend the Member for Coventry North East (Mr Ainsworth), when Defence Secretary, signed a contract for the purchase of 22 A400M aircraft—before the general election but in the window between January and the general election date. The current Government have now deemed that period to be one for the review of contracts. The Minister is currently reviewing the contracts for the purchases that my right hon. Friend intended to make at that time, and I wish to see the Minister do so positively, for the reason that the hon. Member for Burnley (Gordon Birtwistle) gave.

The use and development of military technology is strongly linked to the development of civil aircraft. Members will know that the Airbus factory at Broughton produces world-class wings for civil aircraft, but it does so based on the technology, skills and investment in people that its military capacity is developing and, with the A400M, I hope will continue to develop. There is a great synergy between the two, and, when I recently met the trade unions, which work very positively with the management at that factory, to look at the work on civil and military projects, they recognised that although the Airbus factory in north Wales, servicing north Wales and the north-west, does not make a major contribution to the A400M, the skills, expertise and wings that are developed for civil aircraft very much depend on its successful construction.

The A400M is a flexible aircraft, providing the opportunity for the strong development of the required technologies in modern aircraft. It offers the requirements that the military need for civil, military and humanitarian usage, and it is an excellent technology that has long been in development. I was very pleased when that contract was signed, so I am disappointed that it is under review, but I hope that the Minister will review it positively. Given what I have heard from Members today, this debate is not just about our military capability, but about maintaining a world-class manufacturing base with skills development and long-term jobs in the British aerospace industry, both in the military sector and, as with my constituency, in the civil sector.

Those skills are interchangeable, but if we duck that challenge, purchase products off the shelf from foreign countries and do not develop our skill base, we will be exporting those jobs to competitors—to foreign countries—who will ultimately cost us more in the long term, not just in terms of our technology and our ability to export products and skills to other countries, but in relation to our future defence capacity.

I am very grateful to the hon. Member for Fylde for initiating this debate and to you, Mr Speaker, for allowing me to contribute, however briefly, given the time that we have had. This has been a very valuable debate, and there are real issues at stake, so I hope that the Minister, in his difficult deliberations, will take on board my constructive comments about the A400M and, ultimately, confirm the contracts that my right hon. Friend the

[Mr David Hanson]

Member for Coventry North East signed in good faith in order to keep that skills base in north Wales and in the United Kingdom.

6.58 pm

The Parliamentary Under-Secretary of State for Defence (Peter Luff): It is customary to congratulate the hon. Gentleman or hon. Lady who has secured such a debate at the end of the day, and I congratulate my hon. Friend the Member for Fylde (Mark Menzies) with particular pleasure today. It is his first Adjournment debate, mine too as a Minister, but it has been of the most exceptional value and great quality, so his congratulations are all the more deserved. There has been a phenomenal level of participation in what is normally a half-hour debate. My brief is littered with handwritten comments, which I hope I can decipher as I go through my remarks. If for any inadvertent reason I unintentionally overlook any hon. Gentleman in my response, I shall of course write to them subsequently. I also congratulate my hon. Friend on what was a very informative and entertaining maiden speech in the House during the debate on the strategic defence and security review on 21 June. He is clearly carrying on with exceptional skill the excellent work of his predecessor, Michael Jack, who also spoke very strongly for the aerospace industry in the north-west.

7 pm

Motion lapsed (Standing Order No. 9(3)).

Motion made, and Question proposed, That this House do now adjourn. *—(Miss Chloe Smith.)*

Peter Luff: This debate is timely, as my hon. Friend said, not only for the reasons he gave us—the very sad redundancies, which I want to discuss later—but because of its significance to the strategic defence and security review process. That process seriously constrains how far I can go in replying to many of the points made by hon. Members, and I apologise for that, but the debate is an important contribution to the process, and I welcome it for that reason.

The debate is also timely for a second reason, as we heard. Today is battle of Britain day: 15 September 1940, 70 years ago, was a critical turning point in the war, when RAF fighter command claimed a decisive victory over the Luftwaffe. It is fitting, when debating the aviation industry today, to pause and pay tribute to the bravery of our RAF service personnel, past and present, and to all those who work so hard to design and build the aircraft in which they fly. From the battle of Britain to Afghanistan, the skills of all those who work in the industry and their commitment to supporting our servicemen and women has proved to be second to none.

The contribution made by the UK's military aviation industry in supporting our armed forces cannot be underestimated, and it certainly has not been in the Chamber this evening. All three of your Deputy Speaker colleagues, Mr Speaker, have interests in the aerospace and military aviation sector. I know that the hon. Member for Chorley (Mr Hoyle) and my hon. Friend the Member for Ribble Valley (Mr Evans) are particularly sad not to be able to contribute to this debate—they, too, have been outspoken advocates for their constituencies in the past—and the right hon. Member for Bristol South (Dawn Primarolo) has a strong local aviation industry and a vital interest in the A400M project.

I am relieved that Members from areas other than the north-west turned up. This is not just a north-west issue, although it is very important to that region, and the right hon. Member for Delyn (Mr Hanson) demonstrated that fact. We also have interests in Yorkshire and around the country, including the south-east, the south-west, the west midlands, and the east midlands. Wherever one goes there are aviation and military aviation interests, so I am glad that the debate has been so broadly drawn.

Our servicemen and women who are currently deployed on operations, particularly in Afghanistan, deserve the best equipment that we can provide, and there is no doubt that the UK military aviation industry has risen to that challenge in the past and, as hon. Gentlemen have said, continues to do so. I listened carefully to my hon. Friend's excellent speech and I share his heartfelt and sincere view that it is crucial for the security of the UK and our allies that we have a strong and dynamic military aviation industry both now and in the future.

BAE Systems' Warton facility, which lies within my hon. Friend's constituency, demonstrates this ethos, supporting as it does the important multinational Typhoon and joint strike fighter programmes. I will be concentrating on fast jets and unmanned aerial vehicles—UAVs—but military aviation of course encompasses much more, including helicopters, tankers, strategic lift and, as the right hon. Member for Delyn reminded us in his fine speech on the A400M, intelligence, surveillance, target acquisition and reconnaissance, or ISTAR.

Turning briefly to ISTAR, my hon. Friend the Member for Macclesfield (David Rutley) told the House that he had met me, together with my hon. Friend the Member for Cheadle (Mark Hunter) and the right hon. Member for Oldham West and Royton (Mr Meacher), to discuss the Nimrod MRA4. I pay tribute to my hon. Friends and to the right hon. Gentleman for the way in which they put their case and, in particular, to the trade union representatives from Woodford who came with them and made such a powerful case. I apologise publicly for the fact that the meeting was so disrupted by Divisions in the House, but I think they successfully conveyed their key messages, and I congratulate them on that. I promise that I will take careful account of what was said.

The coalition Government recognise, of course, that the UK military aviation industry is a vital strategic asset. The challenge is to maintain a vibrant and innovative industry capable of meeting the needs of the MOD at a time of financial challenge, and to be competitive in the world marketplace while at the same time minimising any MOD investment in artificial sustainment activities—we want this activity to be real. We simply cannot do this without listening to what industry has to say; and industry has had some very powerful advocates in the Chamber this evening.

That is why, in addition to the engagement with industry that has occurred during the SDSR—despite, Mr Speaker, reports to the contrary—I recently announced the publication of a Green Paper at the end of this year to explain the MOD's defence industry and technology policy, to follow the conclusions of the SDSR in the

autumn. It will include a full discussion of many issues, including sovereign capabilities and skills—I hope that will please my hon. Friend the Member for Blackpool North and Cleveleys (Paul Maynard)—and, I hope, the role of apprentices, which was mentioned by my hon. Friends the Members for Pendle (Andrew Stephenson) and for Brigg and Goole (Andrew Percy). On a recent visit to Rolls-Royce I was struck by the number of senior managers who had started their working life with the company as apprentices, which shows how important that route of entry into the industry is.

As a result of that Green Paper process, we will publish a White Paper in the spring, which will formally set out our approach to industry and technology through to the next SDSR, which I hope will come after a much shorter gap than this one. That will provide the clarity that the industry needs to understand what our priorities are and how we plan to engage with it to bring those priorities to fruition.

Two of the highest priorities in the Green Paper and White Paper will be reinvigorated Government support for exports and helping small and medium-sized enterprises to expand and prosper. Many of them serve and supply the military aviation industry, as hon. Members have said. We will support the drive for exports with an active and innovative programme of defence diplomacy, and Ministers will play an important and personal role in that.

My hon. Friends the Members for Fylde and for Blackpool North and Cleveleys mentioned the role of my right hon. Friend the Prime Minister in securing a recent Hawk contract in India, which shows how important high-level ministerial engagement is. When I wore a previous hat, as Chairman of what was once called the Select Committee on Trade and Industry, we repeatedly made the call for such engagement, and I am delighted to see it bearing fruit so quickly under the coalition Government. The entire ministerial team was at the Farnborough air show this year to demonstrate our support for military exports in general and the military aviation sector in particular. I undertake that that level of support from Ministers will continue.

I turn to the BAE Systems site in Samlesbury. The MOD continues to recognise BAE's integral role in the UK aerospace industry, and it is essential that we continue to work together for our mutual benefit as we establish and confirm the UK's strategic objectives in the wake of the SDSR. In that respect, I very much welcome the company's own review that is currently under way to ensure that its Military Air Solutions business has the right balance of skills, capabilities and resources to meet the new challenges that lie ahead. That cannot be achieved without some effect on the structure of the company, and I note with sadness the company's announcement on 9 September that it sees a need for more than 700 job losses at a number of its aviation business sites following decisions by the last Government in 2009. Those losses come on top of earlier such announcements.

My hon. Friend the Member for Fylde will be aware, however, that BAE Systems is making a multi-million-pound investment in the north-west at its Samlesbury facility, which will be state-of-the-art. The company aims to develop the site into a major centre for unmanned air system development. Samlesbury has a strong tradition of design, engineering and manufacturing excellence in the aerospace industry, for which I pay tribute to it. It is home to some of the most advanced aerospace manufacturing and assembly technologies in the world.

On the subject of advanced technologies, unmanned air systems, which my hon. Friend mentioned, are already making a critical contribution to our operations in Afghanistan. Hermes 450, Desert Hawk and Reaper are saving the lives of our forces, our allies and the Afghan people themselves. I look forward to the introduction of Thales's Watchkeeper system, which is currently the MOD's largest unmanned air vehicle procurement programme. It will provide operational commanders with a day and night, all-weather capability to detect and track targets without the need to deploy troops into potentially sensitive and dangerous areas. My hon. Friend mentioned HERTI, which, if I remember correctly, is a privately funded capability at BAE Systems.

Looking further forward, we are investing in programmes to help us better understand possible future roles for unmanned air systems. Mantis, for example, is a programme funded jointly by the MOD and BAE Systems, which is leading an industrial consortium. The programme is a concept demonstrator with state-of-the-art sensors that will demonstrate a UK-developed deep and persistent intelligence, surveillance, target acquisition and reconnaissance capability of the type currently provided by Reaper.

Mark Hendrick: The Minister is speaking very strongly about the importance of the UAV programme, which is taking place principally at Warton, and I totally agree with him. He mentioned the restructuring at Samlesbury, which we all know has amounted to hundreds of jobs being lost last year and hundreds more this year. What does he have to say to people there who are going to lose their jobs, some of whom have given a lifetime of commitment to Samlesbury? That is likely happen to even more of them as a result of the defence review, in addition to the losses announced recently.

Peter Luff: I hope the hon. Gentleman heard me express deep regret for those redundancies, which result from decisions taken in the past. Exactly how BAES chooses to distribute its skills and work force in future is a matter for BAES, and it is not for me to comment. However, I express deep regret to those individuals, many of whom are outstanding engineers and technicians who started as apprentices and who have given a lifetime of work to some excellent products. I shall turn to the importance of maintaining a skills-base in the north-west, in particular for unmanned aerial systems, in a moment.

Another unmanned aerial system, Taranis, is the MOD's prototype unmanned combat aircraft of the future. Built by BAES, Taranis reflects the best of our nation's advanced design and technology skills. It will allow the MOD to gain a better understanding of the most cost-effective and capable future combat air capability force mix between manned and unmanned platforms. A pinnacle of UK engineering and aeronautical design, Taranis is a leading programme on the global stage and a significant step forward in this country's fast jet capability. It is truly a trailblazing project.

To return to a point I made earlier, projects such as Mantis and Taranis will enable the UK to retain vital aeronautical engineering and design skills, not least in the north-west at Warton and Samlesbury. However, we

[Peter Luff]

acknowledge the risk to sustainment of critical engineering skills and, in particular, a critical mass of design skills within the UK aerospace sector. We are currently funding some work with BAES and key UK suppliers to sustain capabilities pending SDSR outcomes, which I am afraid I cannot prejudge.

My hon. Friend the Member for Fylde of course has a specific in interest in Warton, and its work is vital to the Department. The Typhoon programme contracts are worth approximately £20 billon for, from memory, about 160 aircraft, up to and including tranche 3A. I was asked to say that I would not cancel tranche 3B, but I cannot cancel it, because no order has been placed. However, all future Typhoon contracts are SDSR dependent. Of course, a significant proportion of the Typhoon work goes to BAES.

The MOD has also awarded a contract worth approximately £145 million for unmanned air systems air projects based at Warton. As a number of hon. Members pointed out, the site makes a critical contribution to the multi-billion dollar JSF F-35 programme, about which many hon. Members spoke enthusiastically. I agree with my hon. Friends the Members for Burnley (Gordon Birtwistle) and for Pendle that a two-engine option is vastly preferable in terms of security, design and driving down cost. I hope our American friends will be persuaded to pursue the two-engine option, which offers great strategic and financial advantages to countries participating in the programme.

The UK's military aerospace industry is well placed to continue performing significant work in maintaining Typhoon's capability edge and to address the considerable export interest that is being shown. Indeed, with two existing export customers—Austria and Saudi Arabia—official campaigns being pursued in India, Japan, Turkey and other countries, and with further opportunities in the middle east, including in Oman and Qatar, Typhoon promises to provide excellent employment prospects. That underlines that healthy defence exports are the best way in which to sustain a viable defence and aerospace sector in the UK.

The hon. Member for Hyndburn (Graham Jones) suggested that we were in some sense withdrawing from a commitment to Typhoon, but nothing could be further from the truth. Such suggestions are very damaging to our defence exports. This country has a fine aircraft in Typhoon, which is already in active service and serving the country very well indeed. However, the Typhoon situation will require the industry to continue modernising its approach to address the capability and through-life support requirements of those customers, as it does in the UK, rather than simply focusing on aircraft production and supply. Through-life support costs are hugely important, and we look forward to showing the way ahead through the Green Paper that I mentioned. Certainly, we will work with industry to ensure that, in future, our requirements for new equipment are designed from their inception with exportability in mind. That is very important in, for example, the unmanned air systems environment.

My hon. Friend the Member for Fylde asked for reassurances on the JSF. Again, it must be SDSR dependent, as in everything else, but the UK's contribution to the JSF development will not change—it is fixed by the memorandum of understanding that we signed jointly with the US in 2001. There are significant work share benefits for the UK aerospace sector and it is important to recognise that those benefits come because of the excellence of that sector, which has won those contracts in competition in world markets. That is a great tribute to British engineering and the sector itself.

The UK's plans to purchase further joint strike fighters are incremental—we already have some bought for test purposes—and they have always been based on the programme reaching technical maturity levels and being affordable within the overall resources for defence. We will regard future purchasing plans accordingly, as part of the normal planning process and the outcome of the SDSR. The UK continues to play an important role in the JSF programme through the provision of expertise and resources, including RAF pilots who are now flying the short take-off and vertical landing—or STOVL—flight test aircraft.

The SDSR underpins all this work and, together with the new national security strategy, will provide a coherent and consultative approach to security and defence across government. Our National Security Council has agreed that the overarching strategic posture should be to address the most immediate threats to our national security while maintaining the ability to identify and deal with emerging ones before they become bigger threats to Britain. This flexible, adaptable posture will maintain the ability to safeguard international peace and security, to deter and contain those who threaten Britain and her interests and, where necessary, to intervene on multiple fronts. It will also, crucially, keep our options open for a future in which we can expect our highest priorities to change over time.

It is very clear that the current defence programme is unaffordable and tough choices will need to be made. It cannot be said too often that the programme for the next 10 years is £38 billion over-committed, a sum that we simply cannot fund. That is additional to any requirement to cut budgets beyond that. That over-commitment of the existing budget is the legacy of the last Government.

Graham Jones: Will the Minister accept that the reason for the £38 billion overspend is the Government's choice to cut the deficit further and faster? Otherwise the money would be there.

Peter Luff: Labour Members just do not get it. It is not a matter of choice. The last Government made a choice to be—I shall choose my words with great care—a little disingenuous with the figures and to make commitments that they knew they could not meet. We have to deal with the £38 billion over-commitment before we address any budget deficit reductions, and that is the problem we face in the Ministry of Defence.

Mark Hendrick *rose—[Interruption.]*

Mr Speaker: Order. May I just say to the hon. Member for Bournemouth East (Mr Ellwood) that as he has only just toddled into the Chamber he should not be chuntering from a sedentary position in evident disapproval of the views of others?

Mark Hendrick: The Minister ignores the fact that we had a major global economic crisis and the Government had to bail out the banks after the irresponsible behaviour of generations of financiers. The reason we are in the

terrible state we are in now, which the coalition Government seem to forget, is the behaviour of the bankers, not of the previous Government.

Peter Luff: It is the nature of Adjournment debates not to be too partisan, so I shall just spell it out in very simple language. The problem facing the MOD—the £38 billion—is nothing to do with international crises or bankers. It is because the last Government made commitments that they had no money to pay for. It is nothing to do with deficit reduction or the crisis. I could not be clearer about that. The £38 billion is a problem that we have inherited that we would have had to deal with irrespective of any need to address the extraordinarily large structural deficit that we also have in the UK. The £38 billion is a starting point before we address the consequences of the crisis.

John Woodcock: I hope that the Minister will accept my apologies for coming in slightly late for his speech. Members on both sides of the House accept that there is an over-commitment in the budget. Will he accept the findings of the Defence Committee's report today that there is a grave danger that if the correction is done in the wrong manner—and it is being done very quickly—we will lose the capacity to maintain or restore capability in vital areas in future years?

Peter Luff: The Select Committee's statement was constructive and thoughtful. I have not read every word of it yet, but it is a very helpful document. In some areas, it has not quite understood the process, but never mind—it is a good response, and today's debate shows that Members on both sides of the House, including me, understand how important it is to maintain these capabilities and to ensure that we can take part in the next generation, particularly of unmanned aerial systems, which are the future of fast jet production. I will not labour the £38 billion point any more, but it does set the framework of what the Government have to contend with.

For Britain's defence, and despite all the financial constraints we linger under—both inherited ones and the structural problems caused by irresponsibility in fiscal policy generally—that means taking strategic decisions for the long term. These are the realities we face as we approach the critical decision-making phase of the SDSR. I reiterate that no decisions have been taken on any of the issues debated in the House this evening. The right hon. Member for Delyn (Mr Hanson) referred to the A400M. Everything is in the pot, including the Nimrod MRA4. Everything is there together, and nothing has been singled out or decided. We have to do that to ensure we address both the fiscal challenges and the defence issues facing our country.

Mr Hanson: The contracts for the A400M were signed by my right hon. Friend the Member for Coventry North East (Mr Ainsworth) before the election, but that has been put in abeyance by the coalition Government. So a decision has been made on something that would, it had been decided, go ahead.

Peter Luff: I would like to be more explicit, but I cannot be. We are, and I quote:

> "Pleased that agreement in principle on the future of the A400M programme has been reached between Partner Nations and Airbus Military (AMSL); this is an important stage in agreeing an amended contract."

the contract now needs to be amended—

> "Work on the amended contract continues, and we expect it to be concluded later this year. However, as these discussions are ongoing and at a critical state, it would be inappropriate to provide any further details at this stage."

I hope that the right hon. Gentleman will accept, therefore, that the issue is not just about the SDSR; negotiations are also going on at present.

I said that no decisions had been taken. However, my right hon. Friend the Defence Secretary made one such commitment at Defence questions earlier this week: he is keeping the RAF. I hope that provides some reassurance to hon. Members.

The potential prize is great: modernised, well-supported armed forces ready to defend and promote British national interests and successful manufacturing industry to support that. The UK military aviation industry is a strategic asset, and this Government will ensure that it remains so. We are committed to increasing the exportability of our equipment and delivering the industrial and technology support our armed forces need. The MOD's defence industry and technology policy Green Paper will be a significant step towards achieving those aims. I welcome the opportunity to engage with our industrial partners in the coming months to ensure that, despite the serious financial challenge we face, these aims will become a reality.

Question put and agreed to

7.22 pm

House adjourned.

House of Commons

Thursday 16 September 2010

The House met at half-past Ten o'clock

PRAYERS

[MR SPEAKER *in the Chair*]

Oral Answers to Questions

ENERGY AND CLIMATE CHANGE

The Secretary of State was asked—

Renewable Technologies (Tariffs)

1. **Mr Dominic Raab** (Esher and Walton) (Con): What plans he has for the future of existing tariffs and subsidies in relation to renewable technologies and other sources of clean energy. [15493]

The Secretary of State for Energy and Climate Change (Chris Huhne): We are committed to achieving our 2020 renewable energy target, which is a European Union legislative goal. The coalition programme for government commits us to the establishment of a full feed-in-tariff, with the aim of securing a significant increase in investment in renewables while maintaining a banded renewables obligation and not changing the ground rules for existing investments. We are also strongly committed to action on renewable heat.

Mr Raab: The last Government's impact assessment on feed-in tariffs showed that domestic solar power is nine times as expensive as industrial turbines and hydro plants in producing clean energy. That means that poorer families must pay billions in their energy bills to subsidise those who can afford solar panels. How will the Secretary of State eliminate such distortions in the market for clean energy, so that we can sustain public confidence and so that our environmental policy makes wider economic sense?

Chris Huhne: Renewables are currently more expensive than fossil fuels, and, as the hon. Gentleman points out, there is a wide variation in the costs of different sources of energy. One of the things the Department must deal with is the enormous uncertainty about the development of costs in future. For example, the cost of onshore wind generation has fallen, and according to calculations that we obtained recently from our Mott MacDonald study, it is competitive with the cost of nuclear generation. As for photovoltaics—a subject that concerns the hon. Gentleman—it is true that ours is not a very sunny country and that Arizona produces about twice the yield that can be obtained anywhere in the United Kingdom, but the costs are falling by roughly 6% a year. We have to make a judgment about the uncertainties in the long run.

Albert Owen (Ynys Môn) (Lab): Tidal energy has great potential to contribute to the meeting of our renewable obligations. A fine example is the proposed development off sunny Anglesey, my constituency, which I invite the right hon. Gentleman to visit. The industry has difficulties in securing the investment. Will the Secretary of State ensure that there is a proper level playing field of subsidies, so that young technologies such as tidal energy can develop here in the United Kingdom?

Chris Huhne: I am grateful to the hon. Gentleman for highlighting that issue. It is important for the Department to make a judgment about increased support for promising technologies at a very early stage when commercial funding is not available. The essential framework that we are applying is that as the technology becomes older, more mature and market-tested, the subsidy should be gradually removed until it can wash its own face in the marketplace.

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): In the context of tidal energy, is recent press speculation about the Severn tidal barrage correct? Might it be time to consider smaller tidal barrage schemes such as the one on the River Wyre in my constituency, which has been on the table for 20 years?

Chris Huhne: I believe that there will be an important role for tidal energy in our future energy provision. It is too early for us to make a statement about the Severn barrage, but we will do so when we have given full consideration to the findings of the study.

Edward Miliband (Doncaster North) (Lab): I think that the Secretary of State and I agree about the importance of renewable technology and clean energy to Britain's economic future, but does he recognise the rising concern about the possibility that, on the crucial issue of subsidies to make that economic future happen, the Government are going backwards? May I ask him in particular about the £60 million that the last Government pledged to improve port facilities? That £60 million is crucial to some of the investments announced by Siemens, GE and others. Can he confirm that it will go ahead?

Chris Huhne: The right hon. Gentleman knows that all the Government's spending decisions are subject to the comprehensive spending review. It would not be comprehensive if they were not. Decisions will be announced on 20 October, but I can assure him that we consider it extremely important, given the enormous growth in offshore wind generation, that there is a supply chain capable of supplying that tremendously important and exciting market opportunity, and that it is based in this country. We will do what we can to ensure that that happens, given the limits to affordability.

Edward Miliband: Of course there are limits to affordability, but the last Chancellor made this a priority: he said that the £60 million investment would go ahead.

As the Secretary of State did not give me a very satisfactory answer to that question, let me test him with another. We announced four demonstration projects for clean coal technology. That should not be a worry for the Treasury, because it is funded directly by a levy passed by the House of Commons, but there have been

reports this week that the projects may not go ahead. Can he scotch that speculation, and confirm that all four of them will go ahead?

Chris Huhne: I am glad that the right hon. Gentleman mentioned the last Chancellor because, of course, one of the legacies we are having to deal with in government is the fact that the last Government, of which the right hon. Gentleman was a member, identified £44 billion of expenditure cuts without a single expenditure cut specified in that total. The reality is that we have had to clear up the legacy of his Government. The reality is exactly as the former Chief Secretary to the Treasury, the right hon. Member for Birmingham, Hodge Hill (Mr Byrne), said: there is no money left. We are therefore having to make some extremely tough choices, but on carbon capture and storage I can assure the right hon. Member for Doncaster North (Edward Miliband) that the coalition agreement between the two Government parties says very clearly that there will be four CCS projects. That is an extremely important part of our low-carbon future and, of course, it is crucial in ensuring that we have a competitive advantage in these areas, because the UK has a lead in CCS technology, as we have seen from our university researchers.

Edward Miliband: I am not quite sure whether that answer was a yes or a no. The Government's short-sightedness in cutting investments that are necessary for our economic future is a fundamental issue affecting the future of the country, and the Secretary of State and the coalition parties have to realise that there can be no credible plan for deficit reduction in this country if we do not have a credible plan for growth and jobs. When will he start fighting for the investments that are necessary in offshore wind, in clean-coal technology and in Sheffield Forgemasters, where there was the absolutely terrible decision to cut back—*[Interruption.]* Coalition Members groan, but there is no credible plan for deficit reduction and no credible plan for growth and jobs.

Chris Huhne: The passion of the right hon. Gentleman's oratory reminds me that I ought to wish him luck in the forthcoming Labour leadership campaign. The reality is that we are struggling: we are struggling with the fiscal legacy that his Government left us and we are having to take some very tough decisions. It is fundamental to our national interest that we are not next in line among the countries affected by the sovereign debt crisis. I know that the right hon. Gentleman has in the past pooh-poohed that as the Greek defence, but the reality is that on the weekend after the general election in our country every single finance Minister in the European Union, including—

Mr Speaker: Order. I am grateful to the Secretary of State, but we do not need to have a Second Reading debate on the state of the economy and we are not going to do so.

Energy Markets (Security of Supply)

2. **Paul Maynard** (Blackpool North and Cleveleys) (Con): What progress he has made on bringing forward proposals for reform of energy markets to improve security of supply. [15494]

11. **Laura Sandys** (South Thanet) (Con): What progress he has made on bringing forward proposals for reform of energy markets to improve security of supply. [15504]

12. **Julian Sturdy** (York Outer) (Con): What progress he has made on bringing forward proposals for reform of energy markets to improve security of supply. [15506]

15. **Mr Philip Hollobone** (Kettering) (Con): What progress he has made on bringing forward proposals for reform of energy markets to improve security of supply. [15509]

The Minister of State, Department of Energy and Climate Change (Charles Hendry): I am delighted that there is so much recognition of the need to address our energy security. The Government have moved quickly to enhance our security of energy supply. We are developing a further package of measures to improve gas security. In the autumn we will be launching the most far-reaching reforms of the electricity market, which will look at the measures needed to secure investment in new capacity, and in July we introduced a new long-term regime for new grid connections.

Paul Maynard: I was pleased to hear the Minister refer to gas security given that according to some predictions 70% of our gas supply may in future be imported from overseas. Will he reassure my constituents that when proposals are made for new gas storage sites security, safety and geological hazard will not be put second to the need for more gas sites in this country?

Charles Hendry: My hon. Friend is absolutely right that we have to look at each proposed site, location by location. We have to be satisfied about the security and safety of each location, but there is no doubt that we have historically had low levels of gas storage compared with other European countries, and we are keen to address that as well as looking at issues such as long-term contracts and more pipeline interconnections, which all have an important part to play in this process.

Laura Sandys: Does Russia's withdrawal from the energy charter treaty cause the Minister concern about the United Kingdom's longer term energy security?

Charles Hendry: Ministers have to be much more engaged in this process than has historically been the case. We have to have Ministers who are prepared to go around the world to identify long-term contracts and to secure those agreements in the interests of our long-term energy security. We are keen to have a relationship with Russia that is active and business-based. We think Russia can enhance our security. We are also keen to work with other European countries to identify the pressure points and to find new routes to market, and we are actively engaging with our European counterparts to achieve that.

Julian Sturdy: I thank the Minister for his response. Given Yorkshire's close proximity to the North sea and the vast amount of existing energy infrastructure across the region, are the Minister or Secretary of State pursuing any plans to develop a carbon capture scheme to prolong the life of coal-fired power stations in our area?

Charles Hendry: My hon. Friend raises an issue that is extremely important not just for Yorkshire, but for the country as a whole. We have already had significant discussions with representatives of the Yorkshire business and energy communities, and we salute the work that they are doing to identify strategic infrastructure, particularly in respect of enhanced large pipelines, which enables us to take a cluster approach. That is absolutely one of the areas that we will be looking at carefully for that type of development.

Mr Hollobone: In recent years, for the first time in our nation's history, we have become dependent on foreign fuel imports to generate enough electricity for our country. Will the Minister consider changing the capacity payment component of the electricity price to incentivise the use of indigenous fuels in power generation?

Charles Hendry: My hon. Friend has a great knowledge of these issues. We are looking at those sorts of solutions to the problems and challenges that we face. It is critical that we find long-term, robust approaches, but in that respect, it is also important to have a mix of energy solutions within the portfolio. Fuels from our own natural resources can contribute to, and greatly enhance, our energy security.

Miss Anne Begg (Aberdeen South) (Lab): I was pleased to hear that gas is part of the future of Britain's energy supply, but that runs contrary to a document published by the Department in July this year, "2050 Pathways Analysis". The document looks at UK energy demands in 2050, but gas does not feature. Will the Minister look into that and have a rethink on what role gas will play in our future energy supply?

Charles Hendry: The 2050 document looked at a range of scenarios and energy mixes. However, let me reassure the hon. Lady that the Economic Secretary to the Treasury and I were in Aberdeen on Monday to talk to the industry—I think that that was the first such meeting involving both Treasury and Energy and Climate Change Ministers—to identify the long-term investment issues that are critical for the sector. It is absolutely in the national interest to develop the best possible resource return from our assets in the North sea.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): The security of our future energy supply is heavily dependent on the implementation of major energy projects. Given that the Government have abolished the Infrastructure Planning Commission, which was designed to remove planning obstacles to the implementation of such projects, can the Minister assure me that he is in conversation with his colleagues in the Department for Communities and Local Government to ensure that the successor planning regime achieves the same objective?

Charles Hendry: I can give the hon. Gentleman an absolute assurance that I am in regular contact with my ministerial colleagues in other Departments, Sir Michael Pitt of the IPC, and the industry, to ensure that the transition arrangements pose no threat to such projects. The measures that we are putting in place will be a significant enhancement of the regime, because they will reduce the risk of judicial challenge and review, and provide parliamentary and democratic accountability. That is an important element of such critical infrastructure issues.

Cancun Conference

3. **Duncan Hames** (Chippenham) (LD): What outcomes his Department is seeking to achieve at the Cancun conference on the UN framework convention on climate change in December 2010. [15495]

The Minister of State, Department of Energy and Climate Change (Gregory Barker): The new coalition Government are absolutely committed to achieving an ambitious global deal to cut emissions sufficiently to keep the rise in global temperatures below 2°C and also to providing support to developing countries in adapting to the inevitable consequences of climate change. However, although we are not raising expectations of a legally binding treaty being achieved at Cancun, we want to see substantive progress at COP 16.

Duncan Hames: I thank the Minister for that comprehensive response, on which I hope we have a debate in the House soon. Does he accept that climate finance is critical to reaching an effective agreement? We need the UN advisory group on climate finance, on which the Secretary of State sits, to provide not only a menu of options for the future, but concrete recommendations that can be agreed now.

Gregory Barker: My hon. Friend is absolutely right that the Secretary of State is an important member of that group. Its report will be published later in the year. Here in the UK, we are taking an active role in trying to develop the private sector solutions that must be part of the overall funding package for developing countries, both in adaptation and mitigation.

Fuel Poverty

4. **Julie Hilling** (Bolton West) (Lab): What recent steps he has taken to ensure that energy companies provide greater assistance to vulnerable people in meeting their energy bills. [15496]

The Secretary of State for Energy and Climate Change (Chris Huhne): I recently announced the extension of the energy companies' carbon emissions reduction target to December 2012, which will provide a greater focus on helping low-income vulnerable households. Additionally, we expect up to 250,000 poor pensioner households to receive an £80 rebate from the six major energy supply companies through the current energy rebate scheme, and we are hard at work ensuring that a focus on fuel poverty is a key feature of the green deal.

Julie Hilling: I thank the Secretary of State for that answer. As more than one in three pensioners live in fuel poverty, will he follow Labour's lead and ensure that all energy suppliers have a mandatory social tariff?

Chris Huhne: On the social tariff, I congratulate the right hon. Member for Doncaster North (Edward Miliband) on the powers introduced in the Energy Act 2010. We can use that important set of powers to try to alleviate these problems. The Department's approach, most

fundamentally, is to try to deal with the causes of the problem, not merely to use sticking plaster on the symptoms. The key thing is to identify those in fuel poverty and ensure that they have the energy-efficiency measures in place to make sure that they do not get into fuel poverty in future. With social price support we can help for one year, but if we get the energy-efficiency measures right, we help for ever.

Neil Parish (Tiverton and Honiton) (Con): On the Severn barrage, the Bristol channel has the second highest rise and fall of tide in the world. Are the Government also examining tidal pools?

Mr Speaker: Order. We are talking about help for vulnerable people in meeting their energy bills, so we have to stick to that.

Emily Thornberry (Islington South and Finsbury) (Lab): I am sure the Secretary of State agrees that if we are to move to a green economy, we have to do so in a way that is fair, so can he confirm that he is making representations to the Treasury to keep the Warm Front scheme which, as he knows, is a successful scheme that has helped 2 million of the most vulnerable fuel poor?

Chris Huhne: As the hon. Lady knows, the Warm Front scheme has played a very important part in ensuring that there has been an improvement in energy efficiency for many of the people who are most vulnerable to fuel poverty. We will ensure that there continues to be a commitment that the scheme will continue but, as she will know from previous questions, our key focus—the key instrument—in dealing with fuel poverty and energy efficiency will be the green deal. A very important part of the green deal will be tackling fuel poverty and, over time, it will gradually take on a more important role and the Warm Front scheme will take on a lesser one.

Low-carbon Technologies

5. **Huw Irranca-Davies** (Ogmore) (Lab): What recent discussions he has had on the Government's strategy for promoting low-carbon technologies. [15497]

The Minister of State, Department of Energy and Climate Change (Gregory Barker): On 27 July, my right hon. Friend the Secretary of State delivered the first annual energy statement to Parliament, which set out the Government's strategic energy policy. Catalysing private sector investment in new low-carbon technologies is a crucial part of our strategy. My most recent discussions in the sector, specifically in the area of new technology, took place last Wednesday and were with the chief executive of the Energy Technologies Institute.

Huw Irranca-Davies: I thank the Minister for that response. We all want to catalyse the private sector, and he will know of the potential for tens of thousands of jobs in the wind turbine manufacturing sector. However, he will also know that European ports are wooing British and other manufacturers to settle in them, particularly as a result of the uncertainty over the offshore wind infrastructure competition. Can he guarantee us that that competition will be opened, in order to provide manufacturers with the certainty that there is a future for locating their base here in Britain, not in European ports?

Gregory Barker: I can assure the hon. Gentleman that the new coalition is absolutely committed to making sure that we capture far more of the manufacturing supply chain associated with the expansion of offshore wind power than was the miserable case under the previous Government, when 90% or more of this was manufactured overseas. I cannot comment on any specific spending programmes ahead of the comprehensive spending review, but I can assure him that offshore wind power and capturing the opportunity right the way down the supply chain is at the heart of our policies.

Mark Reckless (Rochester and Strood) (Con): I welcome the review of the four clean coal demonstrator sites, particularly the focus on retro-fitting. Will the Government give proper and full consideration to the proposal for carbon capture and storage put forward by Kingsnorth, in my constituency? Will it be possible to allow that to go ahead with the fitting of CCS to only one of the four turbines, rather than the two previously suggested, to bring things down to the level of gas?

Gregory Barker: I thank my hon. Friend for his interest in this vital technology. As my right hon. Friend the Secretary of State said, we are absolutely committed to driving forward CCS. I can inform him that it is one of the two schemes that are in that particular competition.

Joan Ruddock (Lewisham, Deptford) (Lab): The Secretary of State this morning said that he was strongly committed to renewable heat, but last week the independent Committee on Climate Change wrote to him to say that uncertainty about the renewable heat incentive means that "projects are not progressing". Yesterday, in evidence to the Select Committee, he said that he had simply forgotten the renewable heat incentive when drawing up the coalition agreement. Does the Minister not realise that certainty about the renewable heat incentive is essential in meeting the need for the creation of jobs and investment in industry and, indeed, is crucial in reducing the deficit?

Gregory Barker: I have to say that when we came into office this Government were not only shocked by the state of the public finances but appalled at the lack of preparation for the renewable heat incentive, which left a great deal of work to be done by the new Administration. We will not be able to make an announcement about the RHI until we have had the comprehensive spending review, but I can assure the right hon. Lady that renewable heat is very important to this Government and that we will continue to support the industry.

Joan Ruddock: As this is my last appearance at the Dispatch Box, perhaps I can share a secret with the hon. Gentleman. That is, of course, that the Treasury will always be opposed to mechanisms such as the renewable heat incentive. Will he and his colleagues tell us this morning that they are fighting tooth and nail to get the incentive introduced as planned next April? We convinced the Treasury that that made sense for jobs, for investment and for growth—will he do the same?

Gregory Barker: I am extremely sad to hear that the right hon. Lady will be taking early retirement, and I am sure that she will find herself pressed back into service, whoever the leader of her party is. Renewable heat is vital to our agenda and I can assure her that that commitment runs right through the Department and is just as strong as when she was there, if not stronger.

Carbon Floor Price

6. **Neil Carmichael** (Stroud) (Con): What plans he has to introduce a floor price for carbon. [15498]

The Secretary of State for Energy and Climate Change (Chris Huhne): In the Budget, Her Majesty's Treasury and Her Majesty's Revenue and Customs announced that the Government will publish proposals this autumn to reform the climate change levy to provide more certainty and support to the carbon price. Subject to consultation, the Government will bring forward relevant legislation in the Finance Bill 2011.

Neil Carmichael: I thank the Secretary of State for that encouraging answer because, of course, that will be a prelude to more growth and more jobs. How can we be sure that those measures will stimulate investment in green technology?

Chris Huhne: I am a great believer in the virtues of the market and of the price mechanism, and I am sure that my hon. Friend is, too. It is fairly well established that if the price of something goes up, the supply of it tends to follow. If we provide a carbon price floor, as we intend to do, we anticipate that that will send precisely the sort of price signals to suppliers that will bring forward the capacity that we need to provide us with energy security in a low-carbon way.

Dr Alan Whitehead (Southampton, Test) (Lab): When the right hon. Gentleman has discussed the matter of a carbon floor with the Treasury, has he raised the possible intervention contingency that might be necessary for a UK carbon floor? If he has, have they directed him to talk to the EU about common border-based carbon taxes?

Chris Huhne: The discussion with the Treasury will get under way later, after the comprehensive spending review. The hon. Gentleman will understand that the Treasury is otherwise engaged in a very serious mopping up of the legacy problems that we have already discussed. Later in the year, as part of the public consultation, we will go through all those issues, including the issues that impact on our EU partners.

Onshore Wind Farms

7. **Andrew Bridgen** (North West Leicestershire) (Con): Whether historical wind measurements are taken into account in determining subsidy allocation for onshore wind farms. [15500]

The Minister of State, Department of Energy and Climate Change (Charles Hendry): Onshore wind farms can claim one renewables obligation certificate for each megawatt-hour of electricity actually generated, which focuses investment in those areas where the wind resource is strongest. It is therefore in the developers' direct interest to study very carefully the historical wind measurements.

Andrew Bridgen: As my hon. Friend is no doubt aware, Leicestershire is one of the most inland and least windy counties in England. Will he please assure me that subsidies for wind farms will only be allocated in areas that can demonstrate that the amount of wind is sustainable and economically viable?

Charles Hendry: I can absolutely assure my hon. Friend that the way the ROC system works ensures that the greatest incentive is there to develop wind projects where the wind resource is strongest. We are absolutely committed, too, to the principle of localism for those below 50 MW and for local communities to be directly involved in these decisions and to receive a more direct benefit than was the case under the previous Government.

Mr Wayne David (Caerphilly) (Lab): How much onshore wind generation does the Minister calculate is needed for the United Kingdom to meet its 2020 renewable energy target?

Charles Hendry: We recognise that onshore wind is one critical element of the process. We set out in the 2050 pathways, which were mentioned earlier, a number of different options. Offshore wind is going to be critical, as is biomass. We want a range of renewable technologies to come forward to help us meet the 2020 targets, and the policies that we are putting in place are designed to drive forward investment in those sectors.

Tianjin Conference

8. **Barry Gardiner** (Brent North) (Lab): What representations he plans to make at the October 2010 Tianjin climate change conference for amendment of the UN proposals governing emissions from land use, land use change and forestry to ensure that the managed forest emissions of developed countries are properly accounted for. [15501]

The Minister of State, Department of Energy and Climate Change (Gregory Barker): At the United Nations framework convention on climate change intersessional in Tianjin in October, although I will not be present, my officials will continue to push for accounting rules for robust forest management that maximise incentives for action while ensuring strong environmental integrity.

Barry Gardiner: Under the current proposals, 465 megatonnes a year—almost half a gigatonne—of emissions from the logging industry will not be properly accounted for, because the Minister is going to support reference levels that are based on business-as-usual projections rather than on historical data. When are the Government going to stop pandering to the logging industry? They have already abandoned their manifesto commitment for UK legislation and now they are giving the industry a half-gigatonne backhander.

Gregory Barker: The hon. Gentleman has great experience in this sector and I am sure that his green credentials will stand him in very good stead in the shadow Cabinet elections, but I assure him that we are

committed to having very robust rules and transparent mechanisms for land use, land use change and forestry—LULUCF. I hear what he is saying, but there are a range of options on the table and we have not yet reached a definitive end to this. We are absolutely committed to saving the rain forest, we have put the finance in place and we are leading the debate on this issue. We really are determined to push it further forward at Tianjin.

Caroline Lucas (Brighton, Pavilion) (Green): Is the Minister convinced that the impact of the new EU regulation on illegal logging, which prohibits only the first placing on the market of illegally logged timber, will genuinely reduce emissions from land use changes to the same extent as the promise that the coalition Government now appear to have dropped, to legislate to prohibit also the sale or possession of illegally logged timber here in the UK, would have?

Gregory Barker: We have not dropped a commitment from the coalition agreement, but we will be looking very carefully at the new measures to see whether they can do the job. I remain as committed to ensuring that we are at the forefront of the battle against illegal logging as we were on the day we were elected.

Rented Accommodation (Insulation)

9. **Lilian Greenwood** (Nottingham South) (Lab): What recent steps he has taken to improve the insulation of private rented accommodation. [15502]

The Secretary of State for Energy and Climate Change (Chris Huhne): The recently announced green deal should go a long way toward solving the problem of split incentives that has hampered progress in the private rented sector. It will remove the need for landlords to pay up-front costs for measures that they do not directly benefit from and will therefore make some real progress in this area.

Lilian Greenwood: I thank the Secretary of State for his response, but old, cold and poorly insulated is the state of many private rented properties in Nottingham South, which are home to 16,000 households, including some of the most vulnerable families in the country. Will he match Labour's commitment to regulate landlords and so tackle these issues, or will his Government once again put the interests of private landlords above those of tenants and communities?

Chris Huhne: The hon. Lady takes her seat in the House following the distinguished contributions of her predecessor on all these issues, and I am delighted that she retains his interest in these matters. I assure her that the Government are absolutely determined to try to make progress on fuel poverty and to deal with the scandal that when we have a cold winter a large number of old and vulnerable people are pushed into an early death through lack of heat. We need to try to deal with that as fast as we can. I merely remind her that, although she is new in the House, she succeeds an MP who was here for 13 years supporting a Government who made precious little progress in this area.

Low-carbon Economy

10. **Chris Evans** (Islwyn) (Lab/Co-op): What steps he is taking to support businesses to make the transition to a low-carbon economy. [15503]

The Minister of State, Department of Energy and Climate Change (Gregory Barker): The coalition Government are committed to providing the transparency, longevity and certainty needed for business to invest in the transition to a low-carbon economy. Specific programmes to support these objectives include the green deal for businesses, our proposals to establish a green investment bank, and a commitment to provide more certainty in the carbon price through reform of the climate change levy.

Chris Evans: Given the importance of the UK in establishing a strong foothold in the international green economy and the creation of green jobs nationally, is a £34 million cut in funding for low-carbon technology really appropriate?

Gregory Barker: I am very pleased to tell the hon. Gentleman that, despite the utterly appalling and irresponsible state of the public finances that we inherited from the Labour Government, we are still able to spend £150 million on innovative technologies in key sectors in the current year. What is more, by finding savings elsewhere, we have been able to find £150 million extra to invest in new apprenticeships in key skills, many of which will be in the low-carbon economy.

Waste Plants (Electricity Generation)

13. **Miss Anne McIntosh** (Thirsk and Malton) (Con): What estimate he has made of the proportion of electricity which is generated from energy-to-waste plants; and if he will make a statement. [15507]

The Minister of State, Department of Energy and Climate Change (Charles Hendry): Energy from waste plants can generate electricity from a wide range of different wastes. Overall, these contributed almost 8,600 GWh of electricity in 2009, equating to 2.3% of UK electricity generation.

We strongly support energy generation from waste. We are working with other Government Departments to ensure that, where possible, waste should be seen as a resource, although it remains the responsibility of local authorities and communities to decide on the best waste management arrangements in their areas.

Miss McIntosh: I thank the Minister for that reply. What are the implications for local communities of having a cheaper and more sustainable source of electricity as well as being able to dispose of difficult waste such as food waste through anaerobic digestion?

Charles Hendry: My hon. Friend raises a critical issue. In the past, we simply have not had enough joined-up thinking on this matter. We are putting in place higher penalties for landfill to discourage people from using it, but at the same time we will be supporting a range of technologies, including anaerobic digestion, which can make a significant contribution to the problem.

Offshore Renewable Energy

14. **Peter Aldous** (Waveney) (Con): What steps he is taking to increase the level of private sector investment in offshore renewable energy. [15508]

The Minister of State, Department of Energy and Climate Change (Charles Hendry): We are committed to support for renewable electricity, through the establishment of a full system of feed-in tariffs—as well as the maintenance of a banded renewables obligation, with the aim of encouraging investment. The development of marine energy parks around the British coast will help promote rapid development of the sector. We are also consulting on a new licensing regime to facilitate the connection of offshore capacity to the national grid.

Peter Aldous: The Orbis energy centre in Lowestoft is the home of many businesses at the cutting edge of the new technologies that aim to capture the economic benefits of offshore wind, wave and tidal technologies. Will the Minister accept my invitation to visit Orbis to see for himself the vital role that those companies can play in the drive towards a low-carbon economy?

Charles Hendry: My hon. Friend has already established himself as an effective and vocal advocate for those interests in his constituency. I should be delighted to visit his constituency to understand more of the work that is being done, and the pioneering approach of his local businesses.

Mr Iain Wright (Hartlepool) (Lab): In the summer, companies from Hartlepool and Teesside joined to form Chain Reaction, a renewable energy supply chain cluster. This is a marvellous opportunity to win business, promote new technologies and ensure that the engineering and industrial base of our heartlands in the north-east have a brilliant future.

Notwithstanding the disappointing response that the Minister, the hon. Member for Bexhill and Battle (Gregory Barker) gave to my hon. Friend the Member for Ogmore (Huw Irranca-Davies), what practical and tangible support can he and his Government give to ensure that Chain Reaction, this private sector enterprise, can thrive and flourish?

Charles Hendry: One of the things that has impressed me most since I became a Minister is the wealth of activity and expertise in British business right across the country and, indeed, in the hon. Gentleman's constituency. I repeat my offer to come and visit some of those businesses with him.

Our approach is to say that the Government have to facilitate and put in place the measures that will encourage investment, but one of the most critical things that we can do is bring down the tax and regulatory burdens on British businesses to encourage people to invest and develop their ideas. That is the main focus of the Government.

Green Jobs

17. **Chris White** (Warwick and Leamington) (Con): If he will discuss with the Secretary of State for Business, Innovation and Skills means of increasing the number of engineering courses available for those training for green jobs. [15511]

The Minister of State, Department of Energy and Climate Change (Gregory Barker): I can confirm that I am already working closely with my hon. Friend the Minister for Universities and Science to ensure that we have a flexible training framework that will deliver the skills required for the low-carbon economy.

The coalition Government have already taken clear steps to address shortfalls in low-carbon skills provision, including, as I said earlier, an additional £150 million deployed from savings to create a further 50,000 new apprenticeships, many of which will be in the new low-carbon sector.

Chris White: I am grateful to my hon. Friend for his answer. My constituency is becoming known as one of the centres of the UK energy industry, and it is home to some of the many big-name employers in this sector. As a result, we have established what we call the Warwick and Leamington energy forum. One of its aims is to bring together industry and local skills providers to match skills to jobs to ensure that future demand for skilled employees can be met. Will he agree to meet members of the energy forum? What steps will his Department take to improve public awareness of innovations in green technology so that young people may be inspired to take up training opportunities that exist in this sector?

Gregory Barker: I would be delighted to meet my hon. Friend's constituents in the Warwick and Leamington energy forum, and I am very happy to work with him to highlight the exciting career path that this might offer. Raising awareness of green technologies is a vital part of the transition to a low-carbon economy. A number of programmes are run, including DECC's low-carbon communities challenge, and funding to eco-schools, but, ultimately, it is the signals that come from the private sector that will really drive this agenda forward.

Toby Perkins (Chesterfield) (Lab): Although we would certainly support the importance of training to create green jobs, is not the reality that all this Government's policies are about stunting growth, with measures such as the refusal of the loan to Forgemasters? There is no point in increasing training in jobs if we are not going to help to create an environment that will support business and the Government in creating those future green jobs.

Gregory Barker: The hon. Gentleman has very cleverly put his finger right on the key divide between the last, failed Government and the new coalition. We believe, ultimately, that the recovery, our wealth and new jobs will come from the private sector; Labour Members believe that all our jobs should come from the public sector. We will put in the framework, but wealth creation in the green economy will come from the private sector.

Ofgem (Energy Prices)

18. **Alex Cunningham** (Stockton North) (Lab): What recent discussions he has had with Ofgem on revisions to licensing conditions for energy suppliers to improve monitoring of the links between wholesale, retail and domestic energy prices. [15513]

The Minister of State, Department of Energy and Climate Change (Charles Hendry): Ofgem does not need to change licence conditions to monitor these links: it already monitors the link between wholesale and retail prices and produces a quarterly report, which is an integral part of transparency in the sector.

Alex Cunningham: Energy companies have blamed their price increases on an increase in wholesale prices. Considering that research by Which? shows that 77% of consumers are concerned about energy prices, will the Minister urge Ofgem to make a change to licence conditions to require more detailed and comparable information from energy companies to allow for effective monitoring and scrutiny, as well as fair prices?

Charles Hendry: I understand from the discussions I have had with Ofgem that it believes that it already has the right powers to do this. We must understand that one of the reasons for the pressure on prices is that, as a result of the failure to secure investment under the previous Administration, we are looking at these companies to rebuild our energy infrastructure, with £200 billion of investment over the next 10 to 15 years. There is a real energy challenge in this crisis, and we have to encourage companies to put that investment in place if we are to be able to keep the lights on in future.

Electricity Generation (Local Authorities)

19. **Rehman Chishti** (Gillingham and Rainham) (Con): What steps he is taking to enable local authorities to generate electricity and sell it to the National Grid. [15514]

The Minister of State, Department of Energy and Climate Change (Charles Hendry): Many local authorities are keen to take forward renewable energy projects. New regulations introduced on 18 August mean that local authorities can now sell electricity and can also benefit from renewable incentives such as feed-in tariffs and the renewables obligation. This new provision gives them the freedom to do that, enabling them to play their part in reducing emissions and meeting national renewable energy targets while saving money on their energy bills.

Rehman Chishti: Does my hon. Friend agree that the export tariff of 3p per kWh for households should be increased?

Charles Hendry: I am grateful to my hon. Friend for that question, which does not directly relate to local authorities, but I can say that we are looking at these rates in the totality of the comprehensive spending review. We inherited schemes from the previous Administration that were extremely generous but which were not absolutely clear as to who was going to pay for them and how they were going to be paid for. We are absolutely committed to encouraging the roll-out of renewable electricity and renewable heat, but we must study very carefully exactly how these schemes can be paid for.

Topical Questions

T1. [15518] **Mr Mark Spencer** (Sherwood) (Con): If he will make a statement on his departmental responsibilities.

The Secretary of State for Energy and Climate Change (Chris Huhne): My Department has responsibility for managing our energy liabilities, securing our energy supply, improving our energy efficiency, leading UK action on climate change, and moving to a low-carbon economy.

Since I last answered departmental questions, we have published the first annual energy statement, overturned the law banning councils from selling renewable electricity, and launched a new search for deep geothermal energy. Together with my French and German counterparts, I have argued in favour of greater ambition in raising the EU emissions target to achieve a 30% reduction in emissions by 2020.

Mr Spencer: The Secretary of State may be aware of some anaerobic digestion schemes that have secured planning permission but are struggling to secure finance from the banking sector, so will he conduct an emergency review of feed-in tariffs from farm-based, medium-sized anaerobic digestion units?

Chris Huhne: The coalition agreement commits the Government to a huge increase in energy from waste through anaerobic digestion, and to that end we brought the industry together in a meeting on 6 July, together with colleagues from the Department for Environment, Food and Rural Affairs and the Department for Communities and Local Government, to drive the agenda forward. It is early days for the feed-in tariff scheme generally, and as we know it is a new scheme. I am fully aware of the specific problems with farm-based anaerobic digesters, which the hon. Gentleman raised, and I am commissioning further technical work in my Department to try to deal with them.

T2. [15519] **Toby Perkins** (Chesterfield) (Lab): The renewable heat incentive is a particular concern for Worcester Bosch, a boiler manufacturer, and for the benefit of the Minister I should say that Worcester Bosch is a private sector company, not a local authority. It is particularly concerned about the Government's decision to scrap the low-carbon buildings programme and to offer no commitment to the renewable heat incentive. Does he appreciate how that indecision is affecting the green jobs that Worcester Bosch and other manufacturing companies that rely on the incentive could create in order to develop a greener future and jobs?

Chris Huhne: I can assure the hon. Gentleman that I am aware of the reputation of Worcester Bosch as a good provider in that area, and I am under no risk of confusing it with town-twinning arrangements involving Worcester. We have to ensure not only that there is clarity and certainty in our regulatory framework, but that we look at value for money. As has been pointed out, in the context of the comprehensive spending review we need to review some schemes that we have inherited from the previous Government, and we will come forward with as much detail as we conceivably can as soon as that review has been completed.

T4. [15521] **Nicky Morgan** (Loughborough) (Con): I noted the Secretary of State's earlier strong commitment to drive forward carbon capture and storage technology, and Opposition Members' rather

faux outrage about the lack of public finances—as a result of the mismanagement of the economy. What assurances can he give that the programme will be delivered, and does he believe that the involvement of institutions such as the green investment bank are key to ensuring that it is delivered?

Chris Huhne: As my hon. Friend knows, that commitment is in the coalition agreement, and I merely point out that the current Chancellor of the Exchequer was of course on the negotiating side for the Conservative party in the coalition agreement, so he is as aware as everyone else of the importance of such matters as carbon capture and storage and others in driving forward a low-carbon agenda. I should like particularly to pay tribute to the Chancellor, who was, I think, the first person to put forward specifically the ideas on the green investment bank. My hon. Friend is absolutely right, and I am confident that the Government will come forward with a plan, when we have the results of the comprehensive spending review, which will make further and accelerated progress towards the low-carbon economy that we want to see.

T3. [15520] **Bridget Phillipson** (Houghton and Sunderland South) (Lab): New green jobs will be crucial not just to securing our economic recovery, but to bringing growth to the economy. We are leading the way in Sunderland with the manufacture of the electric car at Nissan, but we need further support for low-carbon industries and jobs, so why are the Government cutting that support?

Chris Huhne: The hon. Lady knows that we have already made an announcement, and my right hon. Friend the Secretary of State for Transport has announced support for electric vehicles, which I hope her constituents and Nissan employees at Sunderland will welcome. That was a very unusual exception to the general rule that we have to wait for the outcome of the comprehensive spending review before we are able to announce such matters, so on that issue we have bent over backwards.

T7. [15524] **Christopher Pincher** (Tamworth) (Con): We all know that these are difficult times and Departments need to make spending reductions, but what action is the Secretary of State taking to ensure that Departments, agencies and our many, many quangos continue to reduce their carbon emissions and use energy more efficiently?

The Minister of State, Department of Energy and Climate Change (Gregory Barker): I am happy to tell my hon. Friend that we are gripping that agenda, and that we have replaced the singular lack of ambition that radiated across Whitehall under the last Government with a commitment to 10% reductions in our energy consumption within our first year in Government. We were told when we came into office that it could not be done, but good progress is already being made. The matter is gripping the Prime Minister, and we will report to the Cabinet on it within weeks.

T6. [15523] **Miss Anne Begg** (Aberdeen South) (Lab): The Secretary of State has mentioned the green investment bank, but what progress has been made in establishing it?

Chris Huhne: I was with my ministerial colleague with responsibility for climate change policy, my hon. Friend the Member for Bexhill and Battle (Gregory Barker), at a meeting only yesterday, along with colleagues from other Departments that are directly interested in the green investment bank, to establish the scope for it, identify possible sources of funding for the capital base and ensure that we are making real progress, which I think we are.

T8. [15526] **Stuart Andrew** (Pudsey) (Con): In recent years, extreme weather events have meant that Leeds city centre has been just one inch from being flooded. Given the potential threat that flooding poses to major company headquarters in the city and to the city's economy, will my right hon. Friend agree to consider that danger when assessing the city's proposed flood alleviation scheme? Should he wish, he would be more than welcome to see it for himself.

Chris Huhne: My hon. Friend is absolutely right to point to the increasing dangers of flash flooding in areas where, in some cases, there can actually be floods at the top of hills. Around the world over the past year there have been mudslides in China, floods in Pakistan and forest fires in Russia, and there is no doubt among the hard-nosed businesses that insure against risks that they have been attributable to climate change, which is a wake-up call. I am afraid that floods are a departmental matter for my colleague the Secretary of State for Environment, Food and Rural Affairs, but I am sure that she will take my hon. Friend's points into account. I know that she is very aware of the dangers of flooding and the importance of flood defence.

Caroline Flint (Don Valley) (Lab): I was encouraged to hear the warm words earlier about reducing our energy use, but when I contacted my energy supplier recently to acquire a smart meter, I was told that it was no longer supplying them. That was a change made following the election, brought about partly because of a lack of direction from the Government about support for smart metering. Will the Minister write to me about what representations or discussions the Government have had with energy companies about providing consumers with smart meters, and about how they intend to encourage them, so that we can take ownership of reducing our energy usage?

The Minister of State, Department of Energy and Climate Change (Charles Hendry): I would be more than happy to write to the right hon. Lady to set that out in more detail. Speeding up the roll-out of smart meters has been one of our priorities. We felt that the ambition of 2020 roll-out across the nation that we inherited was pathetically unambitious, and we have already managed to bring the target forward by a couple of years. We are continuing to drive the roll-out forward and consulting industry on how to put it in place most quickly. Every day, 10,000 dumb meters are installed in our homes across the country. We want to ensure that the new meters installed in our properties are fit for purpose for the needs of the 21st century.

T9. [15527] **Duncan Hames** (Chippenham) (LD): I am sure that, like me, the Secretary of State will have welcomed the introduction of green energy certification.

but he will also know the central role of utility broker websites in consumer decisions. Will he join me in urging those broker sites to incorporate green energy certification in the information that they provide to consumers?

Chris Huhne: I am grateful to my hon. Friend. It is very important that consumers have the information that they need when assessing their energy use, and that is very much one of our departmental objectives. We are considering every possible way to ensure that consumers are fully informed so that we have a marketplace that drives energy saving and energy efficiency. As my ministerial colleague with responsibility for energy, my hon. Friend the Member for Wealden (Charles Hendry), has just pointed out, the smart metering programme is part of that, but it is also crucial that we have a commitment to the display of energy use details.

Mr Dennis Skinner (Bolsover) (Lab): On the question of anaerobic digestion, does the Minister understand that when planning applications for plants are made in built-up areas such as Whitwell, in my constituency, those making them know that the contents of the lorries coming from the plant will not be clean and green but will be a different colour and stink to high heaven? Will he ensure that his Department examines such plans carefully?

Gregory Barker: I would have thought that the hon. Gentleman, above all, knew that where there's muck, there's brass. It just goes to show that the face of old Labour is not green—they do not understand new technology. The first whiff of any environmental problem and they want to go back to old coal—I guess that that is the hon. Gentleman's solution. However, I assure him that we are committed to new, decentralised technologies, working with communities, and getting the technologies operational as soon as possible. He can live in the past, but we are fast-forwarding to the future.

Andrew George (St Ives) (LD): Community organisations and charities that invested in renewable technologies have found themselves significantly disadvantaged through unexpected changes in the feed-in tariff. Will Ministers look into that and ascertain whether charities and community organisations that found themselves with a significant shortfall could be assisted?

Chris Huhne: I am very happy to deal with any specific cases that my hon. Friend raises. I ask him to write to me, please, and I shall ensure that officials advise and that we come back to him. As a ministerial team, one of the things that we are determined to do is try to ensure that we have a framework, so that when we make an offer to provide an incentive for renewable energy, investors can rely on it. We are determined to avoid some of the criticism that has been made of our EU partners, who have changed the arrangements with retrospective effect.

Caroline Lucas (Brighton, Pavilion) (Green): Will the Government backdate the clean energy cashback scheme and any future renewable heat incentive to ensure that those who pioneer the technology are properly rewarded and supported?

Chris Huhne: The hon. Lady makes a point that is dear to my heart, not only in the context that she raises, but in that of, for example, the feed-in tariff for wind. Unfortunately, I do not benefit from that tariff as a pioneer. I considered the issue carefully on a value-for-money basis, and I am afraid that the advice from my officials was clearly that we cannot introduce retrospection in such cases because it does not represent value for money. We are trying to introduce new schemes in future, and therefore, sadly, the only incentive and payback that people such as the hon. Lady and I will get is the warm glow of being pioneers.

Mr Charles Kennedy (Ross, Skye and Lochaber) (LD): As the Secretary of State has been good enough in the past to speak encouragingly about the potential of the Kishorn and the Nigg former oil fabrication sites in the Scottish highlands for future offshore renewable manufacturing, and given recent developments at both, may I extend him a warm invitation on behalf of all involved to visit either or both? He is guaranteed a warm welcome.

Chris Huhne: I am grateful for my right hon. Friend's kind invitation. I would love an opportunity to visit his constituency. Indeed, I will visit the north of Scotland and Orkney and Shetland in the next few weeks, and I intend to inform myself about the important pioneering energy developments, particularly in renewables, that are under way in the area.

Gregg McClymont (Cumbernauld, Kilsyth and Kirkintilloch East) (Lab): A moment ago, the Minister of State, the hon. Member for Bexhill and Battle (Gregory Barker) suggested that the difference between the previous Labour Government and this Government is that the latter want to get government out of the way and let the private sector create the jobs in the green economy. Does the Secretary of the State believe that that is the appropriate approach to developing the green economy?

Chris Huhne: The hon. Gentleman knows from previous answers that I have given on the matter that any sensible Government policy has to have a balance between providing a strategic framework, which gives incentives for us to move towards the green economy, and avoiding unnecessary bureaucratic burdens on business. We prefer the approach of simplifying signals and providing market and price signals to the bureaucratic entanglement, on which, I am afraid, some of the friends of the right hon. Member for Doncaster North (Edward Miliband) were particularly keen when the Labour party was in government.

Richard Graham (Gloucester) (Con): May I encourage the Minister to visit EDF Energy, formerly British Energy, in my constituency, to hear what it is doing to manage our existing nuclear power stations, particularly the issues at Sizewell?

Charles Hendry: I have already visited several nuclear power stations in recent years and I am keen to visit others and see the work that is being done there. It is critical to understand the work that is involved in decommissioning old power plants—a key part of our Government's programme—as well as the sort of measures that need to be put in place to encourage new investment in those important facilities.

Dr Alan Whitehead (Southampton, Test) (Lab): In view of reports that the ambition of the green deal is shrinking to the extent of residual interventions in loft and wall insulation, does the Secretary of State agree that now would be a good time to review the idea that microgeneration should be outside the green deal? In view of the programmes that have already introduced stuff without cost to the taxpayer, will he now think again about putting those arrangements inside the green deal?

Chris Huhne: I am grateful to the hon. Gentleman for his question, especially given his impressive track record in this area. I can assure him that the premise of his question is incorrect. There is no scaling back of ambition on the green deal. Far from it, we are proceeding with what I believe will be a model of how to have comprehensive retrofitting of energy efficiency measures. On whether microgeneration should be incorporated in the green deal, I anticipate that providers of the green deal will want to provide microgeneration as well, precisely because of the substantial price incentives that we have introduced in order to make that happen. I do not think that it is necessary to incorporate microgeneration into the green deal, because it is an insulation package, but I have no doubt that householders—

Mr Speaker: That was very helpful to the House and I am grateful to the Secretary of State.

James Wharton (Stockton South) (Con): The House has heard much this morning about the Government's laudable plans to give energy users more information and more detail about the energy that they are using. What progress has been made to ensure that domestic energy bills provide further detail for electricity users on the cost breakdown of the electricity that they have used?

Chris Huhne: That is a matter for Ofgem, rather than directly for the Department. We have certain powers that we can use to ensure that that is happening, but as I said earlier, it is crucial that consumers are fully informed about their options and what their bills are likely to be. We need to encourage as much informed competition as we can. In this market, as in banking, consumers are often very reluctant to switch suppliers, but if they do, it is likely to have a demonstrable impact on improving competitive pressures.

Business of the House

11.32 am

Ms Rosie Winterton (Doncaster Central) (Lab): Will the Leader of the House give us the forthcoming business?

The Leader of the House of Commons (Sir George Young): The forthcoming business is as follows:

MONDAY 11 OCTOBER—Second Reading of the Finance (No. 2) Bill.

TUESDAY 12 OCTOBER—Proceedings on the Parliamentary Voting System and Constituencies Bill (Day 1).

WEDNESDAY 13 OCTOBER—Remaining stages of the Superannuation Bill, followed by opposed private business for consideration named by the Chairman of Ways and Means, followed by a motion to approve a European document relating to the draft Budget 2011.

THURSDAY 14 OCTOBER—There will be a debate on a motion relating to compensation for NHS blood contamination, followed by a general debate to mark anti-slavery day. The subjects for these debates were nominated by the Backbench Business Committee.

The provisional business for the week commencing 18 October will include:

MONDAY 18 OCTOBER—Proceedings on the Parliamentary Voting System and Constituencies Bill (Day 2).

TUESDAY 19 OCTOBER—Proceedings on the Parliamentary Voting System and Constituencies Bill (Day 3).

WEDNESDAY 20 OCTOBER—My right hon. Friend the Chancellor of the Exchequer intends to make a statement on the comprehensive spending review, followed by proceedings on the Parliamentary Voting System and Constituencies Bill (Day 4).

THURSDAY 21 OCTOBER—Second Reading of the Local Government Bill [*Lords*].

FRIDAY 22 OCTOBER—Private Members' Bills.

I should also like to inform the House that the business in Westminster Hall for 14 and 21 October will be:

THURSDAY 14 OCTOBER—A debate from the Scottish Affairs Committee on banking in Scotland.

THURSDAY 21 OCTOBER—A debate from the Justice Committee entitled "Cutting Crime: The Case for Justice Reinvestment".

Ms Winterton: I thank the Leader of the House for announcing the business. It is good to see him back in a voluntary capacity, as opposed to having to be summoned as he was on Monday to explain why the Government had decided to abolish next year's Queen's Speech. I am sure that he is itching to apologise for ignoring us on that occasion, and itching to reassure us that the Chancellor of the Exchequer's extraordinary smash and grab of Department for Work and Pensions policy last Thursday, which he was also summoned to explain on Monday, had nothing to do with deflecting attention away from the debate in this Chamber on phone hacking.

Once we got the Leader of the House here on Monday, he said that the Session could not end in May next year because the Government would have to guillotine all the Bills in their programme, which is an amazing justification considering that that is precisely what they are doing with almost all their legislation anyway. When was the decision to abolish next year's Queen's Speech taken? If it was being considered before Parliament rose in July, why did the Government not withdraw the Fixed-term Parliaments Bill, subject it to proper pre-legislative scrutiny and consult on changing the length of parliamentary Sessions?

Although the Leader of the House said on Monday in his written statement that the Government had decided to extend the current Session to two years, he then said, when he came here in person, that the Fixed-term Parliaments Bill would be an opportunity to examine the proposal. Has a decision been made, or is it genuinely being consulted on? Which clauses in the Bill will enable discussion of the proposals, what time will be allocated to that discussion, and what other mechanisms is he using to consult on the abolition of next year's Queen's Speech?

Following the exchange at Prime Minister's questions yesterday, will the Leader of the House find time for a debate on why the Government will not opt in to the EU directive on human trafficking? The Prime Minister said yesterday that the directive

"does not go any further than the law that we have already passed".—[*Official Report*, 15 September 2010; Vol. 515, c. 873.]

However, he agreed to look at further evidence, and my hon. Friend the Member for Linlithgow and East Falkirk (Michael Connarty), who is the former Chair of the European Scrutiny Committee, has now written to the Prime Minister setting out exactly how opting in to the directive would provide greater protection for UK citizens and allow prosecution of international criminals. Will the Leader of the House ensure that there is a debate on that in Government time and assure the House that the Government are not letting prejudice about the EU get in the way of ending this cruel and inhumane trade?

Sir George Young: In response to the right hon. Lady's first point, may I say that I am always happy to appear before the House whenever required. On the issue raised, I had in fact issued a written ministerial statement earlier in the day to ensure that the House was up to speed.

On programme motions, the right hon. Lady will know that there are extensive discussions through the usual channels to ensure that the House has adequate time to debate Bills. I am anxious to avoid the problems that we had under the previous Government, when Bills went through the House without proper consideration and had to be put right in the upper House. If she compares the seven days that we have allocated to this important constitutional Bill with the time we got under the previous Government to discuss the Constitutional Reform and Governance Bill, she must agree that we are being much more generous than she was with the time made available to the House to discuss legislation.

On the Fixed-term Parliaments Bill, the right hon. Lady asked about the opportunity to discuss the issues she mentioned. There are clauses on Prorogation, and she is ingenious enough to devise amendments to them to get the debate she needs.

My right hon. Friend the Prime Minister could not have been clearer yesterday in his condemnation of trafficking. He said:

"From looking at the directive so far, we have discovered that it does not go any further than the law that we have already passed",

but he went on to say:

"I am happy to go away and look again". [*Official Report*, 15 September 2010; Vol. 515, c. 873.]

The right hon. Lady asked about an opportunity to pursue the matter further. As I have just announced, there is a debate on slavery, which I believe will be broad enough to deal with issues of trafficking. As my right hon. Friend said, slavery has not been abolished. The Government have decided not to opt in to the directive at the beginning, but we are perfectly entitled, if we so wish, to opt in at a later stage.

Several hon. Members *rose*—

Mr Speaker: Order. A great many right hon. and hon. Members are seeking to catch my eye. There is important Back-Bench business to follow. As always, therefore, I request single, short supplementary questions and characteristically succinct replies from the Leader of the House.

Jessica Lee (Erewash) (Con): In my constituency, we are campaigning for the reopening of the train station at Ilkeston. I note in the Chancellor's Budget speech in June that he made reference to the value of future train projects. With that in mind, would the Leader of the House consider allocating time for a debate on the train network and the provision of train stations?

Sir George Young: I am grateful to my hon. Friend for her question. As a former Transport Secretary, I am always anxious to have more stations opened. In the case of Ilkeston, the proposal for a new station is being developed by Derbyshire county council, and it is for the council to determine the extent to which the proposal is a priority in its overall transport investment. The Government's view is that modern transport infrastructure is essential for a dynamic and entrepreneurial economy, as well as for improving well-being and quality of life. I wish my hon. Friend every success in getting the station reopened.

Natascha Engel (North East Derbyshire) (Lab): As it is the Government who allocate time to the Backbench Business Committee, could the Leader of the House ensure that our time is more fairly redistributed throughout the parliamentary week, and not just restricted to Thursdays? While we are on the subject of time, may I also ask him what he is planning to do now that he has doubled the parliamentary Session and thereby effectively halved the time available for Back-Bench business?

Sir George Young: I congratulate the hon. Lady on totally dominating "Yesterday in Parliament" on the "Today" programme at quarter to 7 with her innovation of having an open session, where MPs were able to go along and ask for time for debates. I welcome that initiative—the reference to "Dragons' Den" was, I am sure, meant in entirely complimentary terms.

If one looks at the days allocated to the Backbench Business Committee, one sees that two have been Thursdays, including today, and two have not. I hope that we will be able to maintain a balance in future allocations, without in any way devaluing Thursday, which should be an important parliamentary day. Last Thursday, for instance, 300 colleagues voted on a motion tabled by the hon. Lady's Committee.

I should have said this in answer to the right hon. Member for Doncaster Central (Ms Winterton), but extending the Session will be conditional on the Fixed-term Parliaments Bill going through. However, there will also be implications for Opposition days, private Members' Bills and Back-Bench time. I recognise that, and I am happy to enter into negotiations to see how best to reflect the longer Session in increased allocations.

John Stevenson (Carlisle) (Con): The coalition agreement makes a commitment to reaching

"a detailed agreement on limiting donations and reforming party funding in order to remove big money from politics."

Could the Leader of the House make a statement about what progress has been made on that issue, and say whether such measures will include looking at trade union finance and support for political parties?

Sir George Young: There is indeed a clear statement in the coalition agreement to reach a conclusion on party funding policy. My hon. Friend will know that the Committee on Standards in Public Life recently announced that it is holding an inquiry into party funding, which I welcome. I hope that we will be able to do something that the previous Government were unable to do, which is to reach a satisfactory conclusion on the issue—one that is fair to all parties and donors, and, importantly, delivers a system that the public can trust.

Geraint Davies (Swansea West) (Lab/Co-op): A three-year-old girl on holiday near Swansea this August was brutally savaged by a dog, leading to major facial injuries and heavy bleeding; she was airlifted to Morriston hospital. When will the Leader of the House consider a debate on minimum fines of £1,000 for actual bodily harm and of £500 for grievous bodily harm against owners of dogs that make such unprovoked attacks?

Sir George Young: We would all like to extend our condolences to the family who were involved in that tragic incident. Time for a debate could be made either by the Backbench Business Committee or on the Adjournment. However, I will contact my right hon. and learned Friend the Secretary of State for Justice on the specific issue of the level of fines and ask him to write to the hon. Gentleman.

Karen Bradley (Staffordshire Moorlands) (Con): Will the Leader of the House issue a statement on his evaluation of September sittings and say whether it is the Government's intention to continue the practice in future years?

Sir George Young: I am grateful to my hon. Friend for her question. I would be interested to hear the views of the House on this matter, but my own view is that the past two weeks have been an unqualified success for the House. We have had four Second Reading debates on important Bills. We have also had an important debate on Afghanistan and we are about to have another on the strategic defence review. We have had three oral statements from the Government, five urgent questions and more than 60 Select Committee meetings. This opportunity for the House to hold the Government to account in what would otherwise have been a very long summer recess is a welcome improvement on what happened during the last Parliament.

Grahame M. Morris (Easington) (Lab): Seaham school of technology in my constituency is one of a number of schools that were to be rebuilt under Labour's Building Schools for the Future programme. It is accepted that the school is in a worse physical condition than any school in County Durham, and that it serves some of the most deprived communities anywhere in the country. Will the Leader of the House ask the Secretary of State for Education to come to the House and make a statement on what criteria are to be applied to determine which schools whose programmes have been cancelled are to be rebuilt, and whether that determination will be needs-based and take into account the physical condition of the schools concerned?

Sir George Young: I understand the hon. Gentleman's concern for the school in question. To some extent, decisions on future resources for schools will depend on the outcome of the comprehensive spending review, but there will be an opportunity to cross-question the Secretary of State for Education the next time he appears at the Dispatch Box. In the meantime, I will alert Ministers to the hon. Gentleman's interest, and seek to give him a reply to his question about the criteria that were used in coming to that decision.

Jeremy Lefroy (Stafford) (Con): The inclusion of cautions or reprimands on enhanced Criminal Records Bureau checks can result in young people—several years on, when they regret their past behaviour—having great difficulty in finding placements in college or school. It is surely not the intention of CRB checks to prevent young people from completing their education. Will my right hon. Friend consider finding time for a debate on the matter?

Sir George Young: I have a lot of sympathy with my hon. Friend's point. The Government have asked Sunita Mason, the independent adviser on criminality information management to conduct a review of the criminal records regime, the terms of reference of which will be announced in due course. I hope that my hon. Friend will give evidence to that review.

Jack Dromey (Birmingham, Erdington) (Lab): Will the Leader of the House make time available for a debate on the serious situation facing the West Midlands police force, given that 2,500 jobs are due to go, including those of 1,300 police officers? That is a move that communities in the west midlands will fear and criminals will cheer. Will the Leader of the House allow the very important issue of the safety and security of our communities to be debated on the Floor of the House?

Sir George Young: Of course I understand the concern of those who provide services funded by public expenditure, but it is important that the language used should not be unduly alarmist. After the comprehensive spending review, there will be an opportunity to debate the consequences, and, if my memory serves me correctly, there will be a separate opportunity when the House debates the police grant order later in the parliamentary year.

Dr Julian Lewis (New Forest East) (Con): I was going to ask a question, yet again, about local authority decisions on fluoridation, but given the apparent leak to the BBC last night of an intention to postpone any decision on the replacement of our strategic nuclear deterrent from this Parliament to the next, may we have an urgent statement either from the Secretary of State for Defence—who will not, I understand, be taking part in the debate to follow—or from the Leader of the House himself on whether there is any prospect of such a breathtaking betrayal of the pledges offered by my party to the electorate and by the leadership of my party to members of my party when persuading us to join the coalition?

Sir George Young: The coalition agreement makes it clear:

> "We will maintain Britain's nuclear deterrent, and have agreed that the renewal of Trident should be scrutinised to ensure value for money."

As my hon. Friend has just mentioned, there will be a debate shortly after business questions, in which he will have an opportunity to raise his concerns. His questions will be answered by one of my colleagues from the Ministry of Defence.

Chi Onwurah (Newcastle upon Tyne Central) (Lab): It is my understanding that the Secretary of State for Business, Innovation and Skills has announced the complete privatisation of Royal Mail—not a part-privatisation but a wholesale removal from public ownership—although it remains unclear, because he chose not to do so before the House. This causes real concern for the many employees and users of Royal Mail. Will the Leader of the House find time for an urgent debate on the future of Royal Mail?

Sir George Young: Again, I refer the hon. Lady to the commitment we made in the coalition agreement and to what was said in the debate on the Queen's Speech. The Queen's Speech said:

> "My Government will modernise the Royal Mail, in partnership with employees, and will ensure it benefits from private sector capital and disciplines."

That remains the position. In due course, legislation will be introduced and the House can debate it.

Priti Patel (Witham) (Con): Will the Leader of the House find Government time for a debate to discuss the performance of National Express, following the decision to extend its remaining railway franchise? In addition to the cost from its wavering from its east coast main line commitment, it is about to spend more than £2 million of public money on building works at Marks Tey station in my constituency, yet, along with Passenger Focus, it has shown an utter disregard for the views of local commuters by failing to consult them on those works. It has also ignored a petition signed by more than 700 local commuters. The plans will force a local business man, Nigel Clark, to close his newspaper stall and coffee vending machine business.

Sir George Young: I commend my hon. Friend for the energy with which she defends her commuters. I understand that the Government are aware of the concerns to which she just referred, particularly about Nigel Clark's news stand and the works at Marks Tey. The rail Minister has ensured that those concerns have been passed on to National Express, which has responsibility for allocating the retail tenancies.

Mr Tom Harris (Glasgow South) (Lab): That spinning noise, which can be heard faintly in the distance, is the sound of David Lloyd George's body spinning in its grave in response to the comment by the Deputy Prime Minister, as reported in this morning's edition of *The Times*, that the job of the state is no longer to

"compensate the poor for their predicament".

Will the Leader of the House invite, encourage and persuade the Deputy Prime Minister to lead a debate on that subject, specifically in order to allow Liberal Democrat MPs to show their full-throated support for this very peculiar redefinition of the word "fairness"?

Sir George Young: May I suggest that the hon. Gentleman read the article written by the Deputy Prime Minister rather than the interpretation of it in *The Times*? I have looked at it, and what he said about welfare being an engine for mobility seemed to me to be eminently sensible.

Damian Collins (Folkestone and Hythe) (Con): Documents placed in the House of Commons Library by the Foreign Office this week give us a fuller picture of the Government's role in the lead-up to the release of the Libyan Lockerbie bomber al-Megrahi and also confirm that the Libyan Government threatened British commercial contracts in Libya if al-Megrahi were excluded from the prisoner transfer agreement. Given that members of the US Senate are seeking to investigate these matters, will the Leader of the House consider having a debate in this House so that we can discuss them more fully?

Sir George Young: My hon. Friend's plea for a debate will have been heard by the Chair of the Backbench Business Committee. The Prime Minister has made it clear that the release of Megrahi was a mistake and he has asked the Cabinet Secretary to review papers held by the Government to see whether more could be published about the background to the decision. The Cabinet Secretary aims to conclude that work as soon as possible.

Mary Creagh (Wakefield) (Lab): I am sure that you, Mr Speaker, and the whole House will share my horror at the mass rape perpetrated in North Kivu province in eastern Congo over a four-day period during the summer, when more than 500 women and 27 children were systematically raped. May we have a debate in Government time about the impact of the comprehensive spending review on protecting women against violence and the prosecution of criminals both here and abroad? We need to debate the impact that 25% cuts could have on that work.

Sir George Young: As the hon. Lady knows, the Department for International Development budget is protected, so any work in the third world funded by that Department will not be affected by any decisions in the CSR. I will certainly bring to the attention of the Home Secretary and the Justice Secretary the concerns about the impacts of decisions taken in this country. There might be an opportunity to ventilate those issues at greater length in the debate announced for Thursday 14 October.

Tony Baldry (Banbury) (Con): Yesterday, the Northern Ireland Secretary said that every Cabinet Minister had found a number of prawns stuffed behind the radiator. Will the Leader of the House encourage the commissioning, printing and publishing of a Command Paper to be put in the Library that sets out in full detail all the prawn sandwiches that previous Cabinet Ministers left stuffed behind their respective departmental radiators—from the lunacy of the Building Schools for the Future programme, where £250 million of expenditure was incurred without a single brick being laid, to the staggering £38 billion overdraft, completely unfunded, left at the Ministry of Defence?

Sir George Young: My hon. Friend made good progress in his question in producing the list that he has asked the Government to provide. It is certainly the case that a number of Secretaries of State found unfunded commitments when they took office. When we come to the comprehensive spending review, we will have an opportunity to reveal in more detail just how those unfunded commitments are to be dealt with. The Labour party was committed to some 20% of cuts if it had come into government, so it would be helpful if we heard from Labour Members at some point exactly how they would have balanced the books if they had won the election.

Caroline Lucas (Brighton, Pavilion) (Green): The coalition agreement contains a clear commitment to bring forward

"measures to make the import or possession of illegally logged timber a criminal offence"

in the UK, yet I now have a letter from a UK Minister saying that the Government have no plans to bring forward "further legislative action". Will the Leader of the House agree to find time for a debate on the issue of illegally logged timber, particularly to explore why a coalition commitment on such an important issue lasted for less than three months?

Sir George Young: I agree that this is an important issue, and I hope that it is possible to find time for a debate. In response to the hon. Lady's first point, let me say that any commitments given by the coalition Government on this subject will be honoured.

Mr Peter Bone (Wellingborough) (Con): The Leader of the House is rapidly becoming my hero for the way in which he is putting Parliament first, but there are dark forces within the Government who cannot bear the loss of control. Will the Leader of the House—no, will Sir George—slay this dragon by ensuring that Back-Bench business is put on prime days of the week?

Sir George Young: I am enormously grateful to my hon. Friend for his kind words. There are no dark forces whatsoever in this Government. We are all enlightened people determined to strengthen Parliament. I repeat for my hon. Friend the assurance I gave to the hon. Member for North East Derbyshire (Natascha Engel). We are aware of the Backbench Business Committee's concern to get access to other days of the week. We will bear that in mind when we take future decisions about which days to allocate to that Committee.

Kevin Brennan (Cardiff West) (Lab): Can we have a debate on the Harper doctrine after the jaw-droppingly complacent performance by the Parliamentary Secretary, Cabinet Office, the hon. Member for Forest of Dean (Mr Harper) yesterday when he announced from the

[Kevin Brennan]

Dispatch Box that in future there will no longer be any penalty for anyone who fails to register to vote? Does the right hon. Gentleman understand that some of us are starting to wonder whether there are certain citizens whom this Government do not want on the electoral register?

Sir George Young: I heard my hon. Friend make that statement—and my jaw did not drop. If the hon. Gentleman looked at the legislation that his Government introduced on individual voter registration, he would find that there was no legal duty to register. That was the position under his Government; we are going to do exactly the same.

Martin Vickers (Cleethorpes) (Con): Earlier this morning, I met Karen Rastall, the chairman of Shoreline Housing, the principal registered social landlord in my constituency. She explained the difficulty that social landlords have in giving work to small businesses because of the criteria laid down for contractors, such as holding the Investors in People certificate. At a time when small businesses up and down the country are finding things extremely difficult, could the Leader of the House find time for a debate on the restrictions placed on social landlords?

Sir George Young: I understand my hon. Friend's point that local housing associations would like to allocate work to local builders to save them having to go through the problems of the process he has just outlined. I will, of course, draw his concern to the Minister for Housing and Local Government, but one has to strike a balance between on the one hand encouraging firms to register for IiP and have the requisite qualifications, and on the other hand seeking to pursue the objectives that my hon. Friend has mentioned.

Mr Denis MacShane (Rotherham) (Lab): With a skill that, frankly, a Jesuit in the Vatican would admire, the Leader of the House glossed over the Prime Minister's statement yesterday about the EU sex slave trafficking directive, in which he said:

"We have put everything that is in the directive in place." [*Official Report*, 15 September 2010; Vol. 515, c. 873.]

However, I have the directive here, and it says that it allows

"extraterritorial jurisdiction (the possibility to prosecute EU nationals for crimes committed in other countries",

which is not in our law. The Prime Minister, I think, inadvertently misled the House. I welcome the debate on 14 October, but will the Leader of the House talk to the responsible Minister and persuade him that opting in is the best thing that the UK can do, instead of standing on the side of the pimps and traffickers?

Sir George Young: I did not gloss over what the Prime Minister said. I read it out from *Hansard*, word for word.

Mr MacShane: The Prime Minister was not correct.

Sir George Young: The right hon. Gentleman may say that the Prime Minister was wrong, but I will of course pass on his request that the anti-slavery debate should deal with the specific question of whether the directive—if we signed up to it—would add value to the provisions that we already have in UK law.

Robert Halfon (Harlow) (Con): Can the Leader of the House find time for an urgent debate on witness anonymity? I have been contacted by two law-abiding constituents, Don and Anita Horton, who have suffered terrible harassment for four years because they reported a suspected benefits fraudster and the Department for Work and Pensions revealed their identity to him under the Criminal Justice Act 1967. My constituents did the right thing, and they should be protected by the state, not punished by it.

Sir George Young: I am very sorry to hear that my hon. Friend's constituents have been harassed after reporting a suspected benefits fraudster to the DWP. I think that the identity of a witness has to be known if a case is to come to trial. On the other hand, there is an issue about giving protection to witnesses, and not discouraging them from coming forward. I suggest that my hon. Friend seek a meeting with Ministers from the Ministry of Justice to establish whether we can have a look at the balance between those two imperatives.

Maria Eagle (Garston and Halewood) (Lab): Yesterday the Prime Minister said that public authorities should not simply resort to making "easy" cuts, but we also heard that the planned nationwide inquiry into police investigation of the crime of rape has had to be cancelled because the Home Office has removed the necessary resources from the inspectorate of constabulary. That sounds like an easy cut. May we have an urgent statement from the Government on precisely how the Prime Minister and the Cabinet define an easy cut as opposed to a difficult one?

Sir George Young: I will bring that question to the attention of my right hon. Friend the Home Secretary or my right hon. and learned Friend the Secretary of State for Justice. I can say, however, that Ministers in the Ministry of Justice are considering the findings of a research report on rape—in this instance, rape anonymity—and will publish it when the House returns in October.

Mr Philip Hollobone (Kettering) (Con): Following the Chancellor's statement on 20 October, would it not be helpful to the House if a series of consequential statements were made day by day, Department by Department, so that Members could quiz Ministers on where the future cuts are likely to have an impact?

Sir George Young: My hon. Friend is right to make the point that the comprehensive spending review will be one of the most important statements made in the current Parliament, because it will set the parameters for public expenditure for the next few years. It is absolutely right that the House should have an opportunity to debate the CSR and its consequences. The hon. Gentleman is a member of the Backbench Business Committee. I should like to reflect with the Committee on how we can best achieve the objective of providing adequate time for the House to debate the CSR and hold the Government to account.

Keith Vaz (Leicester East) (Lab): When may we have a debate in Government time on the proposal to establish a review of the UK's extradition arrangements, including the precise terms of reference, and the name of the former Law Lord who will chair the review? Will the Leader of the House also ask the Home Secretary when we can have a decision on the case of Gary McKinnon?

Sir George Young: I hope that it will be possible for one of my right hon. Friends to answer all the right hon. Gentleman's questions without his having to wait for a full day's debate.

Chris Leslie (Nottingham East) (Lab/Co-op): Would it be possible to find time before the spending review to discuss the vital importance of public transport investment in the UK, especially given that this week Nottingham was named in a survey as the least car-dependent city in England, partly thanks to our nine miles of tram network and the 10 million journeys that take place on the network each year? That investment is really important, and we must keep it going.

Sir George Young: The hon. Gentleman's question is tied up with the CSR and the resources that will be available to the Secretary of State for Transport. However, I will convey to the Department his strong bid for continuing investment in light rail in Nottingham.

Chris Bryant (Rhondda) (Lab): May we have a debate on Foreign Office finances before the comprehensive spending review is announced? In June the Foreign Secretary announced that there would be £55 million of Foreign Office cuts in the current financial year, and in a written ministerial statement he set out where £18 million of those cuts would be found. However, he has not told us the rest of the story. Will the BBC World Service be cut in the current financial year? Will the British Council be cut in the current financial year? Or—as has been suggested—has the Foreign Office budget received a £37 million bung from the Department for International Development, which would directly contradict what the Leader of the House said earlier about the DIFD budget being protected?

Sir George Young: The hon. Gentleman says that we have not told the rest of the story. The people who did not tell the rest of the story were Labour Members, who went into the last election committed to a reduction of some 20% in public expenditure, while giving no indication whatsoever of where those cuts would come from. Until there is some honesty from Labour Members about how they would have confronted the legacy that they have left us, they will have absolutely no credibility on the issue.

Albert Owen (Ynys Môn) (Lab): May we have a debate on the island communities that make up the British Isles, and the positive contribution that they make in economic, social and indeed cultural terms? Such a debate would be timely, because the Government's hybrid constituency Bill will put island communities under threat, unless an exception is made for Scottish Liberals. It is important for us to have such a debate, because although some islands are being exempted, no concessions have been made to others such as the Isle of Anglesey and the Isle of Wight.

Sir George Young: I understand the hon. Gentleman's point, but when the Bill is before the House there will be ample opportunity for Members to table amendments relating to the islands that he has mentioned.

Caroline Flint (Don Valley) (Lab): With the greatest respect to the Leader of the House, his answer to my hon. Friend the Member for Garston and Halewood (Maria Eagle) was completely irrelevant. The findings of the research on rape anonymity—we have been promised publication first before the recess, then in September, and now in October—are completely separate from the announcement by Her Majesty's inspectorate of constabulary, which has been badgered by the Home Office, that it will not look into the way in which victims are treated by police in rape cases.

I think that the House deserves a debate on how we can secure better rape convictions, and how we can ensure that unnecessary cuts do not prevent that from happening. We have had assurances from the Prime Minister, the Deputy Prime Minister, the Home Secretary and the Justice Secretary about the seriousness with which they take the issue, but this week's announcement in the press—not in the House—did not make that clear.

Sir George Young: I understand the strong feelings on both sides of the House about the issue of rape, and I will ensure that the Home Secretary contacts the right hon. Lady in the near future to answer the question that she has raised about the report. I accept that that is different from the answer I gave to an earlier question. The right hon. Lady is entitled to an answer, and I will ensure that she receives one.

Mark Reckless (Rochester and Strood) (Con): I am looking forward to presenting a ten-minute Bill on the afternoon of the comprehensive spending review. Does my right hon. Friend agree that, rather than our returning to the days when Members slept outside an office in sleeping bags for 24 or 48 hours, it would be appropriate for slots to be allocated by the Backbench Business Committee?

Hon. Members: Hear, hear.

Sir George Young: It sounds as though my hon. Friend will have a very good attendance for his ten-minute Bill on 20 October. He has raised an important issue, and I hope that either the Backbench Business Committee or the Procedure Committee will see whether there is a better way of allocating those slots. My initial response, however, is that it is a matter for the Procedure Committee rather than the Government.

Mr Wayne David (Caerphilly) (Lab): I am told that the Secretary of State for Work and Pensions informed a Select Committee yesterday that the announcement of a £4 billion cut in welfare spending was nothing to do with him. May we have a debate on who exactly is responsible for welfare spending and welfare reform? Is it the Chancellor of the Exchequer, or the Secretary of State for Work and Pensions?

Sir George Young: My right hon. Friend the Secretary of State for Work and Pensions gave evidence to the Select Committee at length yesterday, and he dealt with

[Sir George Young]

those issues then. We also heard a statement from the Chancellor of the Exchequer about welfare reform on Monday. The position is that some 30% of public expenditure is on welfare, and there is no way we can balance the books without examining that. My right hon. Friend the Secretary of State for Work and Pensions has recognised that he will have to make some savings in his budget, and the House will have to await the outcome of the CSR to discover his conclusions.

Caroline Dinenage (Gosport) (Con): I learned this morning that the Blake maternity unit at Gosport war memorial hospital will be closed for a few months over the winter, and I am very concerned that as budget cuts kick in maternity services throughout the UK will be affected, particularly small midwife-led maternity units in remote parts of the country. May we have a debate on maternity services throughout the UK?

Sir George Young: I understand my hon. Friend's concern, and she may like to pursue the matter with the primary care trust in her constituency. She will know that this Government, unlike the previous one, have proposed to exempt the health service from the economies we have been talking about, so there is a better chance of making progress on the issues to which my hon. Friend refers under this Government than under a different one.

Point of Order

12.10 pm

Mr Peter Bone (Wellingborough) (Con): On a point of order, Mr Speaker. I thought the Prime Minister was being unduly modest about Prime Minister's questions yesterday when he said it was a great benefit. Were you encouraged, Mr Speaker, that he was really asking the House to have PMQs twice a week?

Mr Speaker: I am not aware of an imminent change of the kind the hon. Gentleman either desires or anticipates. I am minded otherwise not to respond to his observations, but simply to regard them as a statement for the record. The House is grateful to the hon. Gentleman.

BILL PRESENTED

ILLEGALLY LOGGED TIMBER (PROHIBITION OF IMPORT, SALE OR DISTRIBUTION) BILL

Presentation and First Reading (Standing Order No. 57)

Caroline Lucas, supported by Barry Gardiner, Zac Goldsmith, Mr John Leech, Mr Elfyn Llwyd, Andrew George, John Hemming, Joan Walley and Kelvin Hopkins, presented a Bill to make it illegal in the United Kingdom for a person or company to import, export, transport, sell, receive, acquire or purchase timber or timber products illegally taken, harvested, possessed, transported, sold or exported from their country of origin; and for connected purposes.

Bill read the First time; to be read a Second time on Friday 4 February, and to be printed (Bill 74).

Backbench Business

[4TH ALLOTTED DAY]

Strategic Defence and Security Review

[Relevant document: The First Report from the Defence Committee, Strategic Defence and Security Review, HC 345.]

Mr Speaker: A large number of Back Benchers want to take part in the debate. I understand that the Select Committee on Defence wishes there to be Front-Bench speeches early in the debate and winding-up speeches at the end. There will be a 10-minute time limit on Back-Bench speeches. On this occasion, I am not going to impose the 20-minute time limit on Front-Bench speeches, but I urge brevity from Front-Bench Members in what is essentially a Back-Bench debate.

Motion made, and Question proposed,

That this House has considered the matter of the Strategic Defence and Security Review and future of the UK's armed forces.—*(Alison Seabeck.)*

12.12 pm

Mr James Arbuthnot (North East Hampshire) (Con): I am extremely grateful to the Backbench Business Committee for securing a debate on the strategic defence and security review at a time when we have not yet seen the results of either the comprehensive spending review or the SDSR—yet when has ignorance ever prevented a politician from talking about anything? This is our opportunity to present some arguments that may help to influence both those reviews, and the debate is valuable for that reason.

The coalition Government are in a very difficult position; we recognise that. If we delay the SDSR and allow more time for wider conversation and consultation to take place, we will end up making strategic defence and security decisions based on a monetary bottom line already allocated by the Treasury rather than on the actual threat. On the other hand, if we delay the CSR until the SDSR has taken place, we will hold all other Government Departments hostage and delay the reduction of the deficit. But we are where we are.

This week's Defence Committee report has been written against the backdrop of the Committee being fully aware of the importance of a sound economy. We say that one of the main weapons that a country can have in its own defence is a strong economy. However, we are also aware—indeed the Committee warned about this in the last Parliament—of the fact that the defence budget itself is appallingly over-committed, and that is before we even begin to consider the economic circumstances of the country as a whole, so some hard decisions will have to be taken.

Tony Baldry (Banbury) (Con): In respect of the SDSR, does the Chairman of the Select Committee agree that what is really important is that Ministers and Government have some idea of where we all want to end up? Without wishing to be disrespectful to a long-standing ally, we would not want to end up being a sort of Belgium with nukes.

Mr Arbuthnot: My hon. Friend is absolutely right, because one of the major advantages our country has is the number of alliances in which we play such an effective part. We are a permanent member of the United Nations Security Council and an extraordinarily prominent member of the Commonwealth, and we are also a member of the G20 and all the other Gs. We seem to be able to reinforce that by our strong defence posture, which is itself hugely based on the training and quality of the men and women who make up our armed forces. We must remain proud of that, and we must do whatever we can to ensure that we keep that influence and that strength. While I would not go along with the way my hon. Friend illustrates his point, I do think we need to bear in mind where we want to end up as a country and work out the best way of getting there.

In the Select Committee report, we express strong criticisms of the process the Government are now pursuing. We welcome the creation of the National Security Council and the expansion of the review to include security issues because it is increasingly impossible and unwise to try to draw the distinctions between defence and security that might have been appropriate in previous times. The world has become smaller. The threats we face are trans-national and the solutions must be comprehensive and cross-governmental. However, we now have a review that is being conducted by a body—the National Security Council—that until a few months ago did not exist, and at extraordinary speed. Our major concern, therefore, is lack of time. In practice, the timetable has been about five months.

Albert Owen (Ynys Môn) (Lab): I am grateful to the right hon. Gentleman for his measured comments yesterday on his report, which he is rehearsing again today. He says the world is a smaller place. That is because there is greater mobility. In order for us to contribute fully to the international forces, we too need to have greater mobility. At the core of that are aircraft carriers and the RAF. Does the right hon. Gentleman agree that the RAF plays a vital role not only in our combat operations but in our strategic role around the world, and that the RAF as an institution should be preserved?

Mr Arbuthnot: It would be quite wrong of me to fail to pay tribute to the RAF. It achieves extraordinary things with a very small force—they are few in number. The same can, of course, be said of our Royal Navy and Army. I certainly share in the hon. Gentleman's tribute to the RAF; it is well deserved.

As I said, the timetable for this review has been about five months. Most of the work has already been completed, about six weeks before the issue of the review. Even as I stand here, it is being finalised by the Treasury and the NSC. That means that the review has taken much less than half the time of the defence review of 1997-98, even though it is arguably even more important than that earlier review. Also, the current review should be based on an identification of the UK's defence and security needs and what the threats are to us as a country and our interests, but it appears that it will end up being driven by the need for financial cuts and by little else.

The haste with which the review is being pursued has had some obvious consequences. Some 40 or so work streams fed into it, which is too few, and their analyses

[Mr Arbuthnot]

and costings cannot be as robust as they otherwise might have been, which threatens to weaken the review's conclusions, possibly seriously.

Mr James Gray (North Wiltshire) (Con): Am I right in thinking that somewhere in the report, the Committee comments on the unfortunate consequences that might arise if defence estates were closed down because of the review without proper thought being given to the effects on the local economy and community, such as those that would occur if RAF Lyncham in my constituency were closed?

Mr Arbuthnot: My hon. Friend is absolutely correct to say that the Committee comments in its report on the need for the MOD to work out with other Departments the consequences of changes to the defence estates. We did not mention the words "RAF Lyneham", but had we thought of him, I am sure we would have.

Chris Bryant (Rhondda) (Lab): The right hon. Gentleman makes quite a devastating critique of the process, but may I push him in a slightly different direction to another part of the review, namely St Athan? The process of developing the contract has gone on for a long time—I would argue that it has gone on too long—and we need to resolve the issue. Otherwise, the increased costs of delay will bear heavily on the budget. In the end, we must ensure that we provide the very best technical training in a modern world to our armed forces. We will do that either in 14 different places in England, or in one place in Wales. Does that not require a slightly different process from the one that has been adopted?

Mr Arbuthnot: The hon. Gentleman is rapidly taking on the mantle of our former colleague, John Smith, who made regular speeches on St Athan, and I pay tribute to him on that account and on many others. Training must be at the heart of maintaining the extraordinary quality of our armed forces. I hope that the process of getting to a proper result on defence training will be concluded at the end of the strategic defence and security review, because we need a degree of certainty, but so far we have had too much delay. My constituency used to contain a base at Bordon, which was seriously affected by the change to St Athan. We ought to leave the result on St Athan to the SDSR.

There has been insufficient consultation with the public at large, armed forces personnel, the defence industry and parliamentarians. With regard to the last of those, the review was initiated before the new Parliament properly began its business. There was a need for some speed in the review and it took six weeks to establish the Defence Committee, and I accept that neither was the fault of the MOD. However, only one debate has been held in the House, during which I was not fortunate enough to catch your eye, Mr Speaker. Much of the work of the review has happened during the parliamentary recess and the results will be announced shortly after the conference recess. I can best describe that as a sub-optimal process.

Our concerns include the startling speed with which the review is taking place; the influence of current operations on future capabilities; the lack of future ring-fencing for the Defence budget; the lack of public engagement with the process; the uncertainty over the future funding position of Trident; the MOD's postponement of discussions on the potential savings that future procurement and defence reform could bring; the insufficient consultation with the defence industry; the lack of a proper review of the future of reservists; and a lack of symbiosis between structural change in the MOD and the MOD's future direction. We ask whether operations will be funded in future by the contingency reserve. We are also concerned about the retirement within three weeks of senior people in the MOD who were deeply involved with the SDSR, and therefore that the implementation of the SDSR will be led by people who did not lead in its creation. Quite frankly, the report is a cacophony of anxiety boiled down to 23 pages.

Bob Russell (Colchester) (LD): The right hon. Gentleman is presenting a devastating negative case. Can he bring anything positive to the House?

Mr Arbuthnot: That, of course, is the role of our hon. Friend the Minister, who will make his speech in due course. However, we need to recognise the need for speed. In discussions yesterday with the Defence Committee, some senior academics and senior retired military people suggested that delaying things would not necessarily produce better decisions.

Bob Russell: I am grateful to the right hon. Gentleman for allowing me to intervene a second time. I posed the question in my first intervention because I wished to be helpful to him. I agree entirely with the points he is making and I wish him and his Committee well, because the review is a rushed job.

Mr Arbuthnot: That, of course, is also what the Committee thinks.

One of the Committee's principal objections is that the lack of general consultation may create a greater sense of disconnection between the Government's decisions and the understanding of the people at large on defence issues. With regard to the public view of defence, there is a gap between what politicians say and what the public believe. In relation to Iraq, the British people became, towards the end of our engagement there, broadly opposed, mostly because of the very poor planning on what to do after we had won the war. There is a great degree of scepticism about the purpose of our deployment in Afghanistan. In my view, our people would support our deployment to Afghanistan if they thought we had a good strategy for winning, but at the moment they do not think that.

That gap between the public view and the country's policy is both very important and deeply worrying. The SDSR was an opportunity to narrow the gap, but because of the speed with which it is being carried out, that opportunity has been missed. We in the defence community must therefore do all we can, not only in the UK but across Europe, to explain defence policy and our defence needs to the public. Without such communication, notwithstanding the country's general support for the armed forces, defence will suffer.

That contrasts with the 1997-98 defence review, which was announced during the Queen's Speech in May 1997 and reported, later than originally expected, just over

13 months later in July 1998. There was a good deal of consultation during the preparation of that review. The Defence Committee of the day played its part in that, holding 12 evidence sessions while the review was in preparation and eight more afterwards. It also produced a weighty three-volume report on the review—I do not know whether anybody read it, but at least somebody had the time to write it. It was a good review, but I would make two points about it. First, it ended up being underfunded, because it was overtaken by events. Secondly, I would caution the right hon. Member for Coventry North East (Mr Ainsworth), the shadow Defence Secretary, because it was held at a time when the British economy was strong, the Labour Government having received one of the best economic legacies in the history of this country. Before the shadow Secretary of State makes too much of his suggestion that this one is a cost-cutting farce—

Nicholas Soames (Mid Sussex) (Con): Will my right hon. Friend give way?

Mr Arbuthnot: If my hon. Friend will allow me, I will just make this one comment, while I am in full flow, to the shadow Secretary of State. Before he makes too much of his suggestion that this review is a cost-cutting farce, he should reflect with an appropriate amount of humility on who got us into our current economic mess and on why the defence budget is such a shambles.

Nicholas Soames: Does my right hon. Friend agree that not only was that review not funded, but there was clearly a determination that it should not be funded, given that when these matters were discussed in the House, those on both sides agreed that the review would work only if it was properly funded and they signed up to it on that basis?

Mr Arbuthnot: My hon. Friend is entirely right; the problem was that the then Chancellor was not naturally enthusiastic about the issue of defence as a whole, and we saw the same thing when the defence industrial strategy was produced. Again, that was an extremely useful document, which was signed up to by the then Chief Secretary to the Treasury. He subsequently became the Secretary of State for Defence and discovered that he actually did not have the money to put that strategy into effect, any more than we had earlier had the money to put into proper effect an excellent 1998 defence review.

So now that I have antagonised absolutely everyone, I shall end by saying what I hope to see from the review. I hope and expect that its end result will be a changed Ministry of Defence, which is focused more on the threats of the present and the future than on the old cold war structures of the past. I hope to see an element of coherence, so that our future looks significantly better than our present. I hope and expect that the improvements that could be made to the way in which we buy our defence equipment will be far-reaching and helpful. I hope and believe that the result of the reductions in Government spending will be to strengthen the economy of the United Kingdom in such a way as to give us the chance to renew our defence industry. I hope, but fear I may not see it, that we can reverse, as we should, the reductions in our spending on research and technology. I also hope, although I am not at all confident, that enough of our defence structure will remain to take full advantage of the economic revival.

12.32 pm

Mr Bob Ainsworth (Coventry North East) (Lab): May I just say a word on the process? I know that the Backbench Business Committee debates are a new procedure, but we need to settle into having some predictability and consistency in their organisation. Last week, there were no wind-ups, but this week there are to be some. Last week, we spoke after the Minister, but this week we are to speak before the Minister. Hon. Members need to know where they stand. I understand that this arrangement is new and I understand, therefore, why some of these issues are arising, but we need those things to be sorted out.

The strategic defence and security review will define our armed forces for the foreseeable future, and the Government will have to take fundamental decisions about their shape, size and capabilities. The report published this week by the Select Committee on Defence raised serious concerns about the speed of, and the consultation process adopted by, the review. Many of those conclusions did not come as a surprise to me, and I agree wholeheartedly with much of what the right hon. Member for North East Hampshire (Mr Arbuthnot) said and what is contained in his report. It has been clear for a while now that the Chancellor is firmly in the driving seat, carrying out this review at breakneck speed and potentially sacrificing our long-term strategic priorities to the need to cut costs. That is an incredibly short-sighted approach, for which the country will pay a heavy price, and somebody needs to put the brakes on. Perhaps it will be the Minister. Before the election, he said:

> "We know that whoever wins the election, the Treasury will make life difficult for the Ministry of Defence, especially in the light of the public deficit. All of us in the defence community within the political sphere will have to kick up rough to help to keep the Treasury at bay." – [*Official Report*, 15 March 2010; Vol. 507, c. 643.]

He is now Minister for the Armed Forces and if he does not know how to kick up rough, he has a fair few people at his disposal who have the first-class ability to do so. He seems to need a few lessons in self-defence, and he has people at his disposal who can teach him if he does not know how.

Mr Ben Wallace (Wyre and Preston North) (Con): I am grateful to the right hon. Gentleman for making his point. Does he not recognise that we would not be having this discussion about a rushed strategic defence review if his Government of the past 13 years had had timely and thorough defence reviews throughout that period?

Mr Ainsworth: I would not have given way to the hon. Gentleman if I had known that his intervention was going to be a boring repetition of things that are said repeatedly. I will come to the substantive point that the Chair of the Defence Committee raises in a while. I do not underestimate the difficulties that the Government face and the hard choices that need to be made, but they are not going about this in the way that will capture the support of the country, of the armed forces and of Parliament as a whole, and that will enable them to do

[Mr Ainsworth]

as good a job as they can in the circumstances. If Government Members were to stop and reflect on that, they would know that what I am saying is true.

The Government will need to address the failure to consult the public and the broader defence community, as identified by the Defence Committee's report. The failure to consult industry properly will have a serious impact on the ability to supply equipment to our armed forces. The Government appear to have stopped their work on acquisition reform, and will publish their industry and technology policy only next year. They cannot treat procurement and industrial capability as an afterthought; it must be an integral part of the strategic defence and security review.

The Defence Secretary has undergone a remarkable transformation since being in government. He has gone from being Oliver asking for more to being the Artful Dodger, ducking responsibility for his decisions. As entertaining as that spectacle has been, I would prefer to have a Government who acted like a Government. Before the election, the Conservatives called for an extra three battalions for the Army and more helicopters—how many times did they demand more helicopters? They also called for more vehicles and more ships. They now claim that they did not know what the financial position was, but that simply does not stand up.

I say to the Chair of the Defence Committee that we all knew that there were pressures on the defence budget. That is why we commissioned the Gray report and why I took the tough decisions I did last December. I decided not only to prioritise equipment for Afghanistan, but to reduce, ahead of the strategic defence review and to the degree that could be done outside an SDR, the pressures on the defence budget. What was the response of Conservative Members? They howled their disapproval at the cuts that were being made. They knew the situation, they knew the general financial framework of the world markets and what that had done to the British economy, and they knew that there was overheating within the defence budget, yet they continued to howl for more. As a result of what they said and did in the run-up to the election, there is not a member of the armed forces—not one—who would have believed that a Tory Government would not have brought extra funding. The Conservatives told people that efficiency savings would be all that was needed to deal with the budget.

Now the tune has changed but the methods are really quite worrying. Every week in the Sunday papers—rapidly, it is becoming each day—we are treated to more and more briefings dripping out of Whitehall. Will the carriers go? Will the Royal Marines be brought under Army command? What is the future of the joint strike fighter? What about the Tornado? It is government by leak and spin despite all the noble talk.

Nobody is laying out the options. Nobody is explaining the dilemmas to the country, to industry or to the armed forces. Nobody is pulling together and presenting a coherent plan. That is not the way to conduct a strategic defence and security review.

Albert Owen: The shadow Secretary of State is right to compliment the Defence Committee Chairman's outlining of the fears that cutting too quickly will hurt even more. However, does my right hon. Friend agree that one effect of the leaks and stories before the announcement is that they are damaging morale, particularly among those people who are training for the long-term future and who will be posted overseas into combat? Morale has been affected hugely, and any hasty cut could also end up costing the country more money in the long run.

Mr Deputy Speaker (Mr Lindsay Hoyle): Before Mr Ainsworth replies, may I say to the hon. Member for Ynys Môn that we must try to have short interventions? A lot of people want to speak and there is a lot of interest in the debate, so I appeal to all Members to make sure that interventions are short.

Mr Ainsworth: I would say to my hon. Friend that the people in our armed forces are pretty robust and they can put up with an awful lot. I do not overly worry, having got to know them over a three-year period, about their morale. However, they are worried and they do not believe that they are consulted, and that goes for every rank and for every level of the armed forces. They do not believe that this process is being carried out in anything like a reasonable way. They do not believe that they are having an input, and that goes for industry too. Anyone who talks to the defence industry will know that it is worried about the sequential way in which the Government are going about this, instead of the holistic way that is necessary if they are going to take the right decisions and to capture all the complexity of the process.

On our nuclear deterrent and the latest piece of spin, I do not believe that the BBC is wrong. I do not believe, either, that some special adviser is responsible. I believe that somebody high up in the Government is casting the bread on the water and is thinking about delaying the replacement in the way that is being reported.

Let us be clear about the consequences, which were so well laid out by the hon. Member for Harwich and North Essex (Mr Jenkin) on the radio this morning: short-term savings, massive long-term costs—one might ask what the Conservatives have been complaining about, yet here they are talking and thinking about such things—industrial interruption, safety risks and a very real risk to our ability to maintain a continuous at-sea deterrent. In short, it makes no sense operationally, industrially or financially. As the hon. Gentleman said, one can decide to have a deterrent and one can decide not to, but delay makes absolutely no sense at all.

Alec Shelbrooke (Elmet and Rothwell) (Con): I very much support the comments made by my hon. Friend the Member for Harwich and North Essex on the radio this morning, but I feel that the shadow Secretary of State's comments would have far more gravity if he had pushed forward with the review of Trident rather than waiting until after the election.

Mr Ainsworth: The hon. Gentleman was not here in the last Parliament. He will know if he looks at the record that we took decisions on Trident in a timely way in 2006 and that we put work strands in place. Those work strands cannot be significantly disrupted without massive industrial consequences. We have a skill base that is pretty unique and capable of building those submarines. We lost it before and we had to rebuild it. If we lose it again, we will have to rebuild it again, but

perhaps the Government do not want to do that. Perhaps they are seriously trying to get rid of our nuclear deterrent without a debate. I do not know, but all I would say to the hon. Gentleman is that the person who cast the bread on the water this morning is either a total fool for proposing the delay in the way that they are, or there is some other agenda. The other agenda must be either to get rid of or to reduce massively our deterrent. Perhaps that is a debate that we should have, but I do not understand the common sense—neither does anybody else who knows anything about it—behind the trailing, spinning and leaking that has gone on.

Dr Julian Lewis (New Forest East) (Con): May I seek to reassure hon. Members on both sides of the House who are firmly committed to the continuation of the nuclear deterrent, given that I was my party's spokesman on this issue for many years, that both I and the Secretary of State for Defence came into politics primarily to ensure that this country would always have nuclear weapons as long as other countries have them? I cannot answer directly for the Secretary of State for Defence, but I would be amazed if he remained Secretary of State for Defence if a decision of the sort that was aired on the BBC were to be taken in defiance of all the pledges given to the electorate and given to Conservative MPs by our leadership when we were asked to join the coalition.

Mr Ainsworth: Let me reassure the hon. Gentleman that I do not believe that the current Secretary of State is the person who is responsible for casting the bread on the water and doing the spinning this morning. The problem that we have is the same problem that we have in dealing with the strategic defence review—not only are the Government not talking to industry, the armed forces and the country, but their members are not talking to each other. I asked the Secretary of State on Monday if he would repeat his unequivocal support for the Trident replacement. Not only did he do that, he absolutely leapt at the chance. However, within the hour, the Government's position was being clarified and now we have the situation that we are in today.

To coin a phrase, we can't go on like this. We need the Minister to have a Government position—not a Liberal Democrat position—and to give that position to the House so that we know exactly where the Government stand. Let us stop hearing all this nonsense through the BBC and from leaks, spins and so on.

Robert Halfon (Harlow) (Con): The shadow Secretary of State mentioned that he would be happy for there to be a debate on either side of the argument. Will he confirm that his party's Front-Bench position is to keep Trident and to maintain our nuclear deterrent?

Mr Ainsworth: We had a manifesto that I helped to write. The Conservatives had a manifesto and the Liberal Democrats had a manifesto, which was the only one that caused confusion. I think that that confusion was deliberate—they were trailing their coats to those who use the unilateralist argument on the one hand while trying to reassure other people that they were doing no such thing on the other. Their proposed alternative does not appear to me to make any sense whatsoever. What I am saying to the Government is that if they are changing their position because of the financial circumstances, they ought to have the decency to share it with us.

Sir Malcolm Rifkind (Kensington) (Con): The right hon. Gentleman is obviously right to raise what could be a very serious issue. The suggestions in the press, none of which have been confirmed, are that the decision to place the major contracts on Trident could be delayed until the next Parliament, which is presumably due to begin in 2015. As the major contracts at the moment are only expected to be signed in 2014, I hope he would agree that a 12-month delay would not be that serious and might allow the decision to be taken in a more favourable economic climate. If, on the other hand, the Government were contemplating a five-year delay beyond 2014, we would be in a very different situation.

Mr Ainsworth: Or even in a more favourable political climate. One of the difficulties is that people accept the reasonableness of what the right hon. and learned Gentleman has said and do not think it is a very significant decision. He needs to research this matter because, when it comes to building submarines, we have slowed the drum beat down so much that our ability to slow it down further simply does not exist. There is already a gap and we will lose the capability, which we will have to recreate—if we want to do so—at considerable expense to the taxpayer. That will not be for years to come—it will not be in the next two or three years—but down the line the expense will be massive and the kind of overheating in the defence budget that the Chairman of the Defence Committee complains about will have been hugely exacerbated.

John Woodcock (Barrow and Furness) (Lab/Co-op): Does my right hon. Friend agree not only that we must seek to learn the lessons of history, after the Vanguard was not replaced quickly enough with the Astute programme order, but that if the same mistake were repeated, the dangers would be even greater given the civil nuclear programme that we hope will be carried out in parts of Cumbria and across the UK, and given the greater danger of drawing skills away from the Trident successor programme?

Mr Ainsworth: My hon. Friend understands that issue in greater detail than I do, but I think he is absolutely right.

I know there is a lobby within the armed forces for such a decision. The Treasury's decision to transfer the cost of the deterrent to the MOD budget has been described by some as game-changing. If that decision is being taken, it cannot be taken in a hole in the corner; there has to be proper debate. The Government cannot do their business in that way. If they are seriously thinking about changing our posture, that is a profound decision for Great Britain to take and they will not get away with doing it in secret. We created our nuclear capability in secrecy, but we are not going to abandon it in secrecy because that is not the way of the world nowadays. Nobody is going to be allowed to do that. It will need to be done openly and properly, if it is to be done at all. I am worried that there is quite a lobby for it, which I can understand because people are worried about their ability to maintain other capabilities in the circumstances in which the armed forces find themselves, but we come back to the process and what the Chairman of the Defence Committee said: the Government need to do things in an open, embracing and proper manner, and not in the way in which they are doing things now.

Sir Menzies Campbell (North East Fife) (LD): The right hon. Gentleman knows that my views are rather different from his, but I applaud his call for an open debate. On whether the funding should come from the defence budget as presently constituted or from some other source in Government, which does he believe to be the correct course?

Mr Ainsworth: I have said to members of the armed forces that to some degree that is academic because it all comes from the same pot at the end of the day. The understanding has always been, and the structure of the defence budget is, that the defence budget pays for the running costs of the deterrent and the Treasury pays for the capital costs of replacing the deterrent. If the budget were transferred without a dowry of some description to offset the costs, the issues would be pretty profound for the rest of defence capability. Which pot the money comes from is a matter of Government accounting. What I am saying is that if these pretty profound decisions are being seriously considered—if they are just about delay they do not make sense, but if they are about something else they are core to Government policy—then they ought to be discussed openly and not attempted through any sleight of hand.

I have gone on for too long and many hon. Members wish to speak. [HON. MEMBERS: "Hear, hear."] With the discomfort that there is on the Government Benches, I see that people want me to move on, so let me address one final issue—the welfare of our armed forces. As well as it being the duty of any Government to repay and honour the sacrifices of our armed forces, it is also essential to retain world-class forces. No matter how many fast jets, tanks or other equipment we have, they are nothing without the incredible people who operate them. We introduced many reforms when we were in government, including a sustained investment in accommodation, the doubling of compensation for the most serious injuries and the provision of greater access to education, housing and health care. As a Government, we were determined to honour our duty to those fighting on the front line and as a party we will support the Government in building on those achievements. That is why I am glad that they have adopted our election proposal of enshrining the rights of our service personnel in law, but so far we have seen no detail. When will the Minister present his Bill and what will it include?

I know that many Conservatives are concerned about what the coalition's cuts will do to those in the most need of support. Does the Minister have the same concerns about the impact of those cuts on our armed forces? His party, and he personally, promised to increase the pay of the lowest paid in the armed forces so that nobody would be paid less than £23,000 a year—I am sure he will remember that—but the Government's pay freeze will hit all those who earn above £21,000. It seems that not only the Defence Secretary is undergoing a transformation.

The review will be pivotal for the future of our nation and for our armed forces. It must be carried out in the right way, for the right reasons, as determined by our long-term strategic needs. No matter what the Defence Committee Chairman says, I know that he agrees that it must not become simply a cost-cutting exercise in which the Treasury calls all the shots. Sadly, the signs are not promising.

12.57 pm

The Minister for the Armed Forces (Nick Harvey): I commend the Backbench Business Committee for choosing this topic for debate today. After Afghanistan, which we debated last week, there is no more pressing business for the Ministry of Defence than preparing our armed forces for the future as part of the cross-departmental strategic defence and security review. As we debate today, we should keep foremost in our minds the 9,500 men and women of our armed forces currently operating at the sharp end in Afghanistan. Our armed forces are professionals who are fully aware of the risks of their job and they accept those risks to protect our country and its citizens. They do not choose where they are sent or what they are asked to do on our behalf. That is what makes their dedication and commitment awesome in the true sense of the word.

We should also keep in our minds those who have paid the ultimate sacrifice, including those who have recently died as a result of serving in Afghanistan, as set out by the Prime Minister in the House. Neither should we forget those who have been injured both in mind and body. I pay tribute to all those who are currently serving and those veterans who have served in the past; they do and have done so much to keep us safe and ask so little in return. That is why we in the House have a responsibility to ensure that when we take decisions on the future shape of our armed forces, we do so not only to ensure the safety of the country but to honour the commitment of our armed forces.

I want to ensure that hon. and right hon. Members have as much opportunity as possible to contribute to the debate, so I shall take Mr Speaker's injunction to keep my remarks necessarily brief. We are at a crucial stage of the SDSR and although no final decisions have been taken, the tough choices that are required are now imminent. The Government will publish their findings from the SDSR later this autumn, in co-ordination with the outcome of the cross-governmental spending review. I am sure that Members will understand that I shall not be able to answer specific questions on equipment or force levels today, but this is an opportunity for those Members with concerns, whether they relate to a constituency or other interest, to articulate them in time for them still to be considered.

Bob Russell (Colchester) (LD): I am grateful to the Minister for giving way. He drew attention to Afghanistan. This debate takes place as soldiers from 16 Air Assault Brigade from Colchester garrison are being deployed to Afghanistan for the fourth time. The second recommendation in paragraph 11 of the Defence Committee's report goes thus:

> "The capacity of the country even to sustain current in-use capabilities and therefore current operations could well be put at risk by the proposed cuts of between 10% and 20%."

Would he care to respond to that comment from the Select Committee, please?

Nick Harvey: I understand the concern that the Select Committee flags up and the reasons why my hon. Friend raises that point here today, but whatever else happens in the SDSR, the Government are absolutely committed to the priority for Afghanistan, and nothing will be done to undermine the efforts of our front-line troops there, nor the way in which they are equipped or

supported. That is our paramount, top priority; it remains defence's main effort and, whatever decisions are taken for the long term, none will be taken that will undermine in the short term the work that we are performing on the front line.

Angus Robertson (Moray) (SNP): In a recent interview with *The Press and Journal*, the Chief Secretary to the Treasury said that the social and economic consequences of any base closures or rundowns would be taken into account. Will the Government publish those assessments?

Nick Harvey: The Government—the Treasury in particular, but all Departments—will take seriously the economic consequences of all the decisions that are taken in the comprehensive spending review. If there are consequences that need to be addressed, every possible effort will be made to put in place remedial measures. How precisely the Government Departments that are responsible for such measures will approach the matter will be explained in due course. It is not predominantly an issue for the Ministry of Defence. All the decisions that are made across all Departments will have consequences, and the Government as a whole will do their utmost to address those consequences.

Mr Gray: The Minister will know that I am very concerned about Lyneham. While I, of course, accept what he says and understand that Departments are answerable for their decisions, does he accept that the communities that live around bases have given their wholehearted support to their base, so it is only reasonable that the Ministry of Defence—not other Departments—should be ready to say what it believes the economic consequences of a base closure will be and what it will do to support the communities thereafter?

Nick Harvey: My hon. Friend is allowing himself to go into the realms of speculation. We will have to await the decisions. He has known what is in the pipeline for RAF Lyneham for some time and of course any decisions that are taken will have economic consequences. My hon. Friend must keep his powder dry and see what exactly is decided about Lyneham, as other hon. Members will have to do about those bases or industrial issues that they hold most dear. Hon. Members have an opportunity to make these points today. We will listen; we will take them into account. However, despite the speculation in newspapers or elsewhere, it would be absurd for a Minister part way through a process to enter into some sort of running commentary on every twist or turn.

Stephen Phillips (Sleaford and North Hykeham) (Con): My hon. Friend said a few moments ago that we were all entitled to have our input into this process. On behalf of my constituents who are likely to be affected by the review I should like to know whether there is a cut-off date for our input into the process.

Nick Harvey: I am grateful to my hon. Friend for raising that point. Let me say that a vast number of representations—almost 7,000—have been made by members of the public and the armed forces, industry, academics, Members of Parliament and others. There is a cut-off point, and it is the end of next week, so if he or his constituents have any further points that they wish to make, I urge them to do so in that time frame.

I recognise that many in the House have strong views about our armed forces, deep attachments and a pressing need to represent the best interests of their constituents, from reserves to regiments, from equipment to the industrial base. This is the strength of our parliamentary system—every citizen has someone here to fight for them. So we will take into account everything that hon. Members have to say. There will be a broad range of views, and they will be considered as decisions are made on how to deliver the future strategy for national security as effectively and efficiently as possible. Even at this late stage, we are still listening, and all the issues that are raised in the debate today will be given the consideration that they require.

The Foreign Secretary has set out in this House and in a speech yesterday the distinctive British foreign policy that the coalition Government will pursue. He set out our assessment of the nature of the world in which we now live. It is a networked world in which power balances are shifting, with new rising economies and new forms of diplomacy that are eroding the traditional influence that Britain has enjoyed in world affairs. This is happening at a time when the potential threats to our security are grave. So in particular we need to recognise that multilateral operation with allies and partners, underpinned by the rule of law and the pursuit of human rights, is the best way to achieve British interests. As my right hon. Friend the Foreign Secretary said:

"our interests depend on a world system based on law. We need states not to proliferate nuclear weapons, to respect the sovereignty of others, to abide by international treaties and to support legal sanctions by the international community."

So we will look to enhance relations as well as develop new partnerships with others across all aspects of national security and areas that are of strategic importance to the UK. This is also at a time of serious constraints on our national resources. We have to work even harder as a nation to maintain the position of the UK economy. It is our economy that provides the prosperity of our citizens and in turn provides the resources for the pursuit of our national security.

Robert Halfon: I thank my hon. Friend for giving way. He mentioned the role of reservists. Will he confirm that the review will look at strengthening the Territorial Army, especially after the budget cuts under the previous Government and the closure of the TA base in Harlow?

Nick Harvey: I have made it clear that I do not intend to be drawn into speculation about the outcome of the review, but let me state for the record that the Government attach the greatest significance to the contribution made by our reserves. They are an absolutely vital part of our capability and will continue to be so for decades to come. We are determined that they should be able to do that from a position of maximum effectiveness.

Mr Julian Brazier (Canterbury) (Con): I am grateful to my hon. Friend for giving way, and for those rousing words. In deciding what future there is and how much defence capability should be put into reserves, two things are crucial. The first is that we recognise how much cheaper they are and the second, equally important, thing is that it depends on the offer to the officers and NCOs. It has to be an attractive, interesting job if we want to get the right quality of leaders.

Nick Harvey: My hon. Friend makes a good point, as he always does on these matters, and I can reassure him that it will be taken into account.

Dr Julian Lewis: Will my hon. Friend give way?

Nick Harvey: I need to make a bit of progress, and I have a suspicion that my hon. Friend will want to come in a bit later.

The economic context of this security review is one that we cannot ignore. Next year the interest bill alone for the debt that Labour has left the nation will be more than £46 billion—more than the entire defence budget for the UK. Unfortunately, defence cannot be immune from the fiscal challenge that we face, especially when other Departments face strict cost management. As the shadow team knows, the specific challenges in defence are immense, and that is in no small part due to the fact that it bequeathed a forward defence programme with a £38 billion black hole between its commitments and the budget put in place to pay for them. They sat there making future commitments in a manner that resembled a child writing a Christmas wish list to Santa, and they had absolutely no idea how they were going to pay for it all. So on top of the deplorable economic legacy that the previous Government have left, specifically in defence they left a £38 billion black hole—a gap between their forward programme and the forward budget, and that is the size of the challenge facing the new Government.

Mr Kevan Jones (North Durham) (Lab) *rose—*

Nick Harvey: If the hon. Gentleman is rising to apologise for that, I will happily give way to him.

Mr Jones: No, I am not, and I am also not going to allow the hon. Gentleman to con the British public into thinking that that £38 billion is a debt that is there to be paid today. I find this a bit rich coming from the Conservatives, who in opposition, right up until the general election, were calling for a larger Army, a larger Navy, and extra expenditure. Will he be truthful with the British public and say that the figure he is quoting is actually spread over the next 10 years?

Nick Harvey: The figure is certainly spread over the 10-year period of this review. The gap between the commitments that the Labour Government made and the budget that was in place to pay for it is £38 billion. Before the election, both Opposition parties charged the Government with doing just this. We did not know the scale of it, and it turns out to be even worse than we had charged. We therefore have no choice but to face the gravity of that legacy and set about the task of trying to build future defences that are coherent and effective, but doing so against that budget background. We hear that different Government Departments are being asked to indicate what it would entail to make reductions in their budgets of a different size. Let me explain to the House that if the defence budget were to be cut by 10% in real terms, the defence programme would have to be cut by 19% in real terms in order to achieve that. That is the meaning of the black hole that we were left by the previous Government, and that is the scale of the task that the current Government are facing.

The Chairman of the Defence Committee summed up the situation very well at the beginning of his speech when he talked about speed and the issues that have to be determined about how the process is taking place. Let me make this perfectly clear. As I have said in interviews this week, the time scale of the review is a great deal brisker than we would have chosen in an ideal world, but this is not an ideal world—it is a world in which we have been bequeathed the financial situation that I have described, and that needs tackling as a matter of urgency. We have to ensure that the decisions that we take in the next few weeks in the SDSR are sustainable not only over the short and medium term but over the long term, and they have to proceed in parallel with the Government's spending review. The alternative would have been just to sit back and allow the Treasury to dictate a spending envelope in which a strategic defence review that we might have conducted at a more leisurely pace would be obliged to fit itself, whereas by doing the work at the same time as the comprehensive spending review, we are able to fight our corner within the spending round having done the work involved.

The right hon. Member for Coventry North East (Mr Ainsworth) said that everybody involved in defence in the political community—he quoted my words from before the election—should kick up rough. My sense is that that is exactly what everybody is doing, and I am sure that he is happy to play his part in that process.

Mr Ainsworth: Everybody apart from the hon. Gentleman and the Secretary of State, perhaps.

The hon. Gentleman is aware that my predecessor as Secretary of State ordered the Gray report, that I published it, and that National Audit Office reports were published before that. He knew what the situation was. When did he or his Conservative now-friends call for cuts in defence to deal with it? When, prior to the election, did he ever do that? Did he ever do anything other than ask for more?

Nick Harvey: Every time there was a defence debate in this House in the two or three years before the election, Conservative and Liberal Democrat Members repeatedly quizzed Ministers about the apparent gap between the promises they were making, the plans they were laying down and the funds that they appeared to have at their disposal in order to fulfil them. Time and again, they stood there pretending that it all added up, and the fact of the matter is that it did not.

The right hon. Gentleman refers to the Gray report. That very telling report specifically identified the true situation on the procurement side. However, that was only half the story, because the black hole existed not only in the procurement budget but across the whole defence budget, and that is the scale of the challenge that now faces us.

Mr Bernard Jenkin (Harwich and North Essex) (Con): Although I have great respect for the shadow Secretary of State and the work that he did in the Department, I think that my hon. Friend is equally entitled to ask him when he ever admitted to the scale of the crisis that his Department was facing—although he did have the honesty to come to the House and admit that he had started the process of raiding future capability in order to sustain

current operations, which showed that our commitments had got wildly ahead of the resources that the Government had made available.

Nick Harvey: My hon. Friend is quite right. That was precisely the significance of the measures that the right hon. Gentleman had to take hastily—last December, I think—in order to make this year's budget wash its face. That is a graphic illustration of the problem that had been allowed to grow up and which we are now having to tackle.

Of course, we could tackle this simply by cutting a bit off everything—the equal-pain option across the services—but that would not distinguish capabilities or assess real risk, and it would not reform our forces for the strategic challenges ahead. We cannot just fossilise what we currently do, and again fail the strategic test. Instead, we must look ahead to the end of this 10-year period and decide what we want our armed forces to look like at that time based on the foreign policy goals we have set, our assessment of the future character of conflict, and our anticipation of the changes in technology that we will need to incorporate.

The National Security Council has agreed that the overarching strategic posture should be to address the most immediate threats to our national security while maintaining the ability to identify and deal with emerging ones before they become bigger threats to the UK. This flexible, adaptable posture will maintain the ability to safeguard international peace and security, to deter and contain those who threaten the UK and its interests, and, where necessary, to conduct a number of different operations concurrently. It will also, crucially, keep our options open for a future in which we can expect our highest priorities to change over a period of time.

Mr Arbuthnot: In order to set the record straight, does my hon. Friend remember that although the shadow Secretary of State takes credit for publishing the Gray report, that happened only after four months of the then Prime Minister trying to prevent it from being published, and only after I had put in a freedom of information request to demand that it should be published?

Hon. Members: It's true!

Nick Harvey: I congratulate my right hon. Friend on having winkled that out of Labour Members; I am very glad that I gave way to him. I knew that the report had sat on their desks for a long time, but I was not aware that that was precisely how it came out, so I take my hat off to him for doing that.

For all the financial constraints, this means that we have to take strategic decisions for the long term and invest in programmes that we will require to put defence on a sound footing for the years ahead.

The right hon. Member for Coventry North East raised the matter of Trident. He rightly pointed out that it had been subject to speculation and tittle-tattle, and then devoted about 10 minutes of his speech to responding to it as though it were all absolute gospel truth deserving of the most serious attention. Let me make it clear to the House. A decision on Trident has been taken. The position was set out in the coalition agreement, which makes it clear that we will maintain Britain's nuclear deterrent and, in due course, replace it. The coalition agreement also makes it clear, however, that the successor programme should be scrutinised for value for money, and that is what is happening. However, I am not aware of any suggestion to delay either any decisions or, indeed, the procurement. The value-for-money study has yet to be undertaken at the National Security Council, and I cannot pre-empt any decision that it might make. It is perfectly possible that, in pursuing value for money, the council might look at the expenditure profile, but the key decisions and the timetable have already been decided, and nothing has changed that in any sense.

The right hon. Gentleman, the shadow Defence Secretary, will be aware that the initial gate decision was due last autumn, and that essentially technical phase has been delayed for largely technical reasons. We will reach it as planned, probably at the tail end of this year but, if not, in the very early part of next, and the timetable that pans out is as understood and as has been set out. I cannot pre-empt or speculate on what the value-for-money study will conclude, but there is no intention fundamentally to alter the programme that has been laid out.

Mr David Hamilton (Midlothian) (Lab): Next month we will know exactly what the cuts are going to be. Surely the British public have a right to debate whether we have Trident or not, because that should be part of our debate.

Nick Harvey: The in-principle debate about whether to embark on the programme was held in 2007, and the final opportunity for the public, Parliament or anybody else to debate whether we pass the point of no return, as it were, on the successor programme is at main gate, and of course there will be debate about that. In terms of what is going on this autumn, the value-for-money study will feed into the SDR and the comprehensive spending review, and, if it is possible to get better value for money out of the programme, it is only right and proper that we do so.

John Woodcock *rose—*

Nick Harvey: I see the hon. Member for Barrow and Furness rising, and, in terms of the impact that the process might have, I must say that the points that have already been made about the impact on the industrial base, if there were to be an interruption, are well understood. They would be not only of industrial significance, but of military significance, so Members should not give way to the temptation to speculate on the basis of tittle-tattle in the press.

John Woodcock: The Minister has just said that the decisions on the timetable have been taken and will not change, and that is very significant. If that statement is true, it will be very welcome in Barrow and Furness. However, is he aware that, as I understand it, the Prime Minister's official spokesman, at his Lobby briefing this morning, gave a very different impression?

Nick Harvey: Let me say this again: the decision on Trident has been taken. It was laid out in the coalition agreement, which made it perfectly clear:

"We will maintain Britain's nuclear deterrent"

and, in due course, replace it. The value-for-money study, which is currently taking place but has yet to arrive at any decisions, may well consider the expenditure profile,

[Nick Harvey]

and the order in which we programme different parts of the work, but I cannot speculate on that. However, the initial gate decision is on course to be made later this year or, at the latest, in the early part of next. We know that under the timetable, main gate will be at the tail end of 2014 or, possibly, in the early part of 2015; that is already known and understood. But, as the right hon. and learned Member for Kensington (Sir Malcolm Rifkind) pertinently pointed out in his intervention, if main gate happened to shift a few months, it would not make any difference in terms of either finance or, frankly, the impact on the industrial base. So, the issue involves complete speculation and does not have the significance that one or two people have suggested it might.

Sir Malcolm Rifkind: I welcome the Minister's extremely reassuring remarks. In that context, I note the intensive press reports stating that the Treasury has pressed for the capital costs of Trident to be met from—presumably—the existing core budget of the Ministry of Defence. Is that the case, and, if we are to have both a conventional military and the independent nuclear deterrent, is it possible?

Nick Harvey: I rather agreed with the right hon. Member for Coventry North East, who said that that point is largely academic: the cost all comes out of the Treasury as a whole, and the particular line on which it is accounted is neither here nor there. We would want to be clear that the funds for Trident were on a separate line from that of the core defence budget. That is what the White Paper said, and as I understand it, that is still the position. However, where precisely it is accounted is neither here nor there; it is a completely semantic and academic point.

Dr Julian Lewis *rose*—

Nick Harvey: Ah! I had anticipated my hon. Friend wanting to come in, and this was the point at which I thought he would want me to give way.

Dr Lewis: And the Minister has done so very graciously. He is doing his best at damage limitation. What would reassure me even more would be to know from him that no one employed by the Government was responsible for the extremely damaging story that was leaked to the BBC last night.

Nick Harvey: I have absolutely no grounds whatever to think or believe that it was, and to the extent that I am able, I am happy to offer that reassurance. Obviously, I cannot account for every employee anywhere in government, which is rather a large thing, but I do not believe that that is what happened or think that there is any point in the House dwelling on any speculation about what happened.

Dr Lewis: Will the Minister allow me one more time?

Nick Harvey: Well, as it is my hon. Friend, I will.

Dr Lewis: If that is the case and we are meant to discount the story, will the Minister just confirm one thing? When he talks about possible decisions about main gate in the context of value for money, does he accept that no interpretation of a value-for-money assessment could result in a decision that the Trident replacement should not go ahead at all?

Nick Harvey: I do not think that that is within the scope of the study under consideration; the study is about how we might improve the existing programme's value for money and delivery. Again, I cannot pre-empt the decisions that the National Security Council will arrive at shortly, when it addresses the value-for-money report, but my hon. Friend's point is considerably wide of its scope.

The coalition agreement also said:

"Liberal Democrats will continue to make the case for alternatives."

and the Liberal Democrats will. I shall continue to argue that in government; my right hon. and learned Friend the Member for North East Fife (Sir Menzies Campbell) will continue to argue the case for alternatives outwith government. But, the Government are proceeding with the programme, and that is the point that I wish to make clear today. The arrangements that the right hon. Member for Coventry North East left in place are those which the value-for-money report is studying, and to the extent that any better value for money can be squeezed out of the programme, that is the objective of the exercise.

Angus Robertson *rose*—

Nick Harvey: When giving way, there is always a trade-off between allowing people to intervene and eating up the time that they could otherwise use to make their own contributions.

So, by way of conclusion, I simply say that the point has been made that we have not liaised adequately with industry. Industry has a regular dialogue with the Government, and we understand the industrial challenges and issues. We want and need a resilient defence-industrial base, and having a strong defence industry is a formidable strategic asset. It is a key part of our international security relationships, it obviously provides jobs, tax revenues and an improved balance of payments and its long-term prosperity rests also on offering good value for money to the British taxpayer.

We have difficult choices ahead of us, and the SDSR is a highly complex undertaking with many issues interwoven. As we pull the threads together and try to weave a better whole, we have to ensure that we get the balance right not only in defence but in other security services, foreign policy and international development. We must balance those matters with domestic concerns and investment in public services. I cannot say that the final decisions on defence will be pain-free, but that is the same across all Departments. I can say that we will strive to take those decisions based on what is right for the country and for defence as a whole, in the strategic and financial conditions in which we find ourselves.

1.30 pm

Ms Gisela Stuart (Birmingham, Edgbaston) (Lab): I, too, congratulate the Backbench Business Committee on selecting this subject for debate. May I observe that I am beginning to get used to a particular quality in the speeches delivered by Liberal Democrat Ministers? There

is an almost monastic high moral tone attached to their annunciations. That probably comes from not having had to take any responsibility for the past 100 years, so I do not think it will last very long. They will develop a sense of the reality that whether one is in government or in opposition, things are occasionally more complicated than they appear at first sight.

I congratulate the Chairman of the Select Committee on Defence, the right hon. Member for North East Hampshire (Mr Arbuthnot), whose speech was excellent. As a member of that Committee I know that the report he mentioned is excellent, and I have to say that his speech left little for other members of the Committee to add. I shall simply deepen some of his points.

I wish to focus particularly on public involvement in reaching a consensus on security and defence. In a few weeks' time, the funding for the Department of Health and the Department for International Development will be ring-fenced but pretty big decisions will have to be made on how much money is spent on defence in the light of other public sector cuts. I am not convinced that either the previous Government or the current one have sufficiently explained in recent years why this country needs the armed forces, what they do and what they are engaged in. Are they there to keep the peace, or to go to war occasionally?

A generational gap is opening up. Knowing that my 25-year-old daughter-in-law was going to start work yesterday, I said to her, "Oh, that is Battle of Britain day". She looked at me and asked, "What's that?" Not only did she not know, I had the distinct impression that she was not particularly concerned. There is a generation that is unable to relate not only to world war two, which in many ways still determines our sense of what is needed for defence and the armed forces, but to the cold war. The generation born after the fall of the Berlin wall has a very different sense of nuclear deterrence, which for the pre-1989 generation was an obvious need. We need to do a little more to explain that need.

That change is happening all over Europe. One reason why I cannot stay for the whole debate is that I am going off to the 60th Königswinter conference, which is an annual meeting of German and British politicians. Tomorrow evening, the German Defence Minister, zu Guttenberg, will be speaking. If the press reports today, and yesterday are to be believed, he has virtually reached political agreement for Germany to move to a professional army, with a moratorium on conscription. That is a huge shift in the country's attitude to defence, and such shifts are happening all over Europe.

That, quite apart from the economic circumstances, is why the current defence review is hugely important. It is about how Britain defines its role in the world and its relationship with the rest of Europe, but it is also about how the intergenerational covenant between the armed forces and the Government will be conducted. I believe that there is a change not just because of changing generations but because of our ethnically diverse nation. Increasingly, we like to have an Army not to go to war but to keep the peace, which may occasionally involve going to war.

We need a much more open relationship with people in explaining why we deploy our troops and why we spend money on them. That requires a debate not about the type of aircraft carriers, tanks and equipment we have, but about our national security and defence. That might involve attacks from the air, which is why we need a Royal Air Force, but in the historical context that is probably no longer a key element and is less of a priority. We are a trading nation that needs to keep its trade routes open, so we probably need to explain a little more to the population at large why the Navy is so incredibly important not just for military purposes but for the security of food and energy supplies.

In the case of the Army, we often talk about those who have given their lives in the interests of the country, but we now have an increasing number of young men who, while they have not given their life, have given their limbs. They are severely injured, and we have a huge responsibility to look after them not just today or tomorrow but for decades to come. We cannot flinch from that.

We must also engage the public on a different type of security, which could conveniently be called cyber-security. A NATO unit in Estonia is working on it, and the Estonian people know exactly what it is, because the Russians brought their country to a standstill for three days. Commercial operations also know about it. Much more work needs to be done on cyber-security in the defence review, but may I caution that that work should not be kept within the MOD too much? After world war two a lot of our computer and decoding equipment was kept secure by the MOD at Bletchley, whereas America was much more open in making such equipment available to the industrial sector. The industrial trade-off was not used so early in the UK. Similarly, in cyber-security we have to work much more with industry, in a way that will allow the military to use the technology without confining its commercial exploitation.

My final observation is about the National Security Council. I happen to think that it is a good thing to have set up, but when the Defence Committee took evidence from our witnesses yesterday they made the interesting point that if the word "security" is in a name, other Departments such as DFID and the Foreign Office can sometimes feel that they do not have much buy-in. A strategic defence and security review should involve not just the MOD but those other Departments. If the Treasury is still carrying out bilateral negotiations on where the money will come from, as it appears to be doing, there can be one-on-one combat between Departments instead of their collectively standing up for what they need. I hope that the NSC, by bringing the Departments together at ministerial level under the Prime Minister, will not allow the Treasury to take a divide-and-rule approach.

I look forward to what we will hear at the end of October, and I hope I am correct in the impression that I have gained from the Minister that all the BBC's reports about Trident today were complete and utter nonsense. Nobody seems to know quite where they came from or to want to take any responsibility for them. *[Interruption]* Well, those of us who have been around know that whenever Front Benchers become excited about telling us what complete and utter nonsense something is, and that they have no idea where on earth the story came from, it usually means that in a few weeks' time they will say, "Funny that, you know—the BBC was right after all." I hope that on this occasion my cynicism is completely unwarranted. I wish the

[Ms Gisela Stuart]

review well and hope that the Defence Committee will be able to return to the House and say that the Government have done the right thing.

1.39 pm

Sir Menzies Campbell (North East Fife) (LD): I apologise to the House and to the Chairman of the Select Committee on Defence for not being present when the debate began. I was taken aback by the speed with which the previous business was completed.

I hope that I do not sound too censorious when I say that any member of the armed forces on active service watching our debate so far might feel compelled to say, "How we got here is less important than what we're going to do now we are here." To use the old cliché, we are where we are. People in the armed services want to know how we will provide a review that produces a coherent and cohesive outcome and allows them to have total confidence that they will always be fully equipped, well led and subject to mature and sensible political direction.

My views on Trident are well known, and, in the time available, I will not burden the House with them again, other than to the limited extent of saying that the attitude of the Chancellor of the Exchequer, publicly expressed by him and confirmed by the Chief Secretary, implies that Trident has de facto become part of the defence review.

John Woodcock: Will the right hon. and learned Gentleman give way?

Sir Menzies Campbell: I hope that the hon. Gentleman will excuse me if I make a little progress first.

I listened to my hon. Friend the Minister for the Armed Forces, who, with characteristic elegance, endeavoured to say that it was simply a matter of accounting. It is not a matter of accounting for the budget holder of a Department, out of whose budget the money must come, who knows that a request of the Chief Secretary for more is likely to be refused. When there are difficult decisions to make, such as the closure of bases, whether a particular capability should be maintained or whether infantry battalions should be disbanded, and one is aware of an obligation to find some £20 billion in the next period, it seems inevitable that the decisions about the conventional elements of defence are bound to be affected. To put it colloquially, four Trident submarines would be four elephants in the room.

In this country, we lack a proper review of nuclear policy. I cannot recall in the 23 years that I have been a Member a review conducted other than on the basis that we have always had four submarines since Harold Macmillan went to the Bahamas and persuaded Jack Kennedy that we should have access to Poseidon. It is argued that, therefore, we should have four submarines and the maximum number of warheads—at least potentially. I remember the days when the argument in the House was not about having a deterrent, but about whether a Labour Government in 1992 under Neil Kinnock would build the fourth submarine. That was of great significance to the constituents of the hon. Member for Barrow and Furness (John Woodcock), to whom I shall briefly give way.

John Woodcock: I am grateful. I am also grateful that the Labour party's position has changed, for which my predecessor, now Lord Hutton, deserves some credit. I will not often agree with the right hon. and learned Gentleman about Trident, but is he aware that the report, published this week, of the Defence Committee, of which I am a member, suggests that Trident has de facto been included in the review in an unhelpful way through the budgeting arrangements that have been changed in recent weeks?

Sir Menzies Campbell: We must agree about that.

That takes me to the points that the Chairman of the Defence Committee made with great directness. I think that I am the last member of the 1997 Defence Committee still to be in the House. As the right hon. Member for North East Hampshire (Mr Arbuthnot) explained, the consultation that was carried out for that particular defence review was peerless. He outlined the number of meetings that the Committee held and the amount of detail into which it went. Indeed, I remember several occasions on which I could argue across the table, face to face, with John Reid, now Lord Reid, about issues that directly concerned the defence review and its outcome. There was one defect, which is now acknowledged. The Government of the day never published the foreign policy baseline. That is one of my criticisms of the current review.

My hon. Friend the Minister referred to a speech by the Foreign Secretary, but the national security strategy and a foreign policy baseline have not been published. I say with respect that if the review is to have a benevolent outcome, the House should be debating the foreign policy baseline and the national security strategy now so that we could, if I may put it a little ambitiously, offer some advice and exercise some influence over members of the National Security Committee.

My concern is mirrored by the comments of my hon. Friend the Minister. He said that if the Ministry of Defence had not proceeded at the same pace as the overall efforts to restore economic stability, we would have found ourselves given a sum of money and told to find a defence policy to fit it. My fear is that that is exactly what is happening. It is implied that the defence budget must be brought under control, to put it pejoratively, in the next five years, yet from what we hear from the Prime Minister and the Deputy Prime Minister, we will still be in Afghanistan in that period. Is it in the interests of morale and effectiveness to conduct such a wholesale programme during that period? Cutting programmes that are under review will incur penalties. Substantial sums of money will have to be paid out if we do not proceed with certain contracts. What account has been taken of that?

My anxiety can be summed up in my fear that we are at risk of being engaged not in a defence review, but in an expenditure review. To what should a defence review amount? Usually, it means a clear statement of foreign policy objectives, an analysis of the military requirements for achieving those objectives and a value-for-money analysis of the necessary resources. It seems to me that a series of decisions may emerge from the review that are not related to each other and that fail to provide the necessary coherence and cohesion not only for members of the armed services or politicians who have their

responsibilities, but for the profile that we present to any potential adversary and—perhaps equally important—to our allies.

I have a constituency interest; I imagine that I am not alone in presenting such an interest to the House, and I do not expect my hon. Friend the Minister to respond to it today. On Saturday, I went to Royal Air Force Leuchars in my constituency. It was a battle of Britain airshow day and some 50,000 people attended. In the past, the base has had two squadrons of Typhoon with a third training squadron for Typhoon. It now has 71 Engineer Regiment (Volunteers). Many members of the regiment have been to Afghanistan and Iraq. The 58 Squadron RAF Regiment is training there to be deployed to Afghanistan next spring. The 50,000 people who visited the base on Saturday were compelled to do so because, last week, 6 Squadron was reformed as the first of three Typhoon squadrons, which, under current plans, is scheduled to be deployed to the base. The station is located in Scotland's central belt, albeit the most attractive part—I would say that, wouldn't I? It can provide the air defence for the whole of northern Britain.

Those of us with an interest in defence deplore the fact that its prominence in the minds of the British public is much reduced. I thoroughly supported the notion, which was effected under the previous Administration, that members of the armed forces could more regularly wear uniforms in public so that people had a clear and obvious identification with them. The argument for the continuation of RAF Leuchars is overwhelming. The command of the base is combined with the responsibilities of the Air Officer Scotland, who has important representational functions that are easily fulfilled from a base in the central area of Scotland. Were that base to be closed, there would be a substantial economic impact, as there is when any base is closed. The impact is felt on the communities that have grown up alongside the bases. However, in the case of Leuchars, I am confident that the defence case for its maintenance as a front-line air station is overwhelming. I therefore have every confidence that that view will prevail in the corridors of the Ministry of Defence.

1.50 pm

Angus Robertson (Moray) (SNP): It is a pleasure to follow the right hon. and learned Member for North East Fife (Sir Menzies Campbell), who echoes many of the points that I have made before in representing what has been described as the most defence-dependent constituency in the UK, as it is home to both RAF Lossiemouth and RAF Kinloss.

I commend the Backbench Business Committee for securing this timely debate. As we all know, the National Security Council and the defence strategy group within the MOD will make key decisions within the next few weeks, so it is very timely for us to discuss this subject this week. I also commend the Defence Committee and its members for their timely report which I hope will be taken on board not only by the MOD, but—and perhaps more importantly—by the Treasury.

The strategic defence and security review is very important because it will determine whether there will be a continuing relationship between the armed forces and many of the regions and nations of the UK. That relationship includes the footprint of service personnel and key contracts such as those for building aircraft carriers on the Clyde and at Rosyth. During a Westminster Hall debate I secured on 20 July 2010, I said:

> "I fear that the SDSR will lead to large parts of the UK having no defence infrastructure, with fewer bases, reduced units and manpower, and severely imbalanced defence spending.
>
> There are reasons to believe that Scotland, Wales, Northern Ireland and some English regions will come off worst. That worrying prospect is supported by past regional and defence statistics issued by the Ministry of Defence. In recent years, the MOD has confirmed that more than 10,000 defence jobs have been lost in Scotland and that there has been a defence underspend in excess of £5.6 billion. The defence underspend statistics for Wales and Northern Ireland in the same period are £6.7 billion and £1.8 billion respectively. No doubt, if the MOD provided regional breakdowns for the English regions those would show that other areas have also been badly disadvantaged." [*Official Report*, 20 July 2010; Vol. 514, c. 65WH.]

I note with interest that the MOD published last week, for the first time, an answer that included English regions. I am surprised that that has not been picked up in the media or in this House. That answer bears out the case that I and the SNP have been making about the massive centralisation of defence spending in recent years.

The parliamentary answer given on 6 September 2010 shows that if one compares what each region receives as a percentage of their population some shocking trends emerge. For instance, in 2007-8 the south-east of England received 172% of its population share of spending, and the south-west received even more, with 247% of its population share. All other nations and regions got less than their fair share. If one excludes London, the two regions of the south-east and south-west of England took up a mammoth 45% of all expenditure, but account for only 22.1% of the population. Most shockingly, the north-east of England accounts for only 1.2% of spending, but has 4.2% of the population. That is a shocking indictment of 13 years of a Labour Government, with the north-east of England largely represented by Labour MPs. I will leave it up to Members from that part of the world to make that case.

More was spent on defence in London—a city—in 2007-08 than was spent in Scotland. MOD spending as a percentage from financial years 2003-04 to 2007-08 increased by 25% in the east midlands, by 21 % in the south-east, and by 15.2% in the south-west. But in the same period, it was down 40% in Wales, down 7.5% in the north-east of England and down 9% in Scotland.

All the statistics I have given were provided by the MOD and are available from *Hansard*. In Scotland, the defence underspend increased from £749 million in 2002-03 to £1.2 billion in 2007-08. That represents an increase of 68% over six years. Between 2002 and 2008, the underspend in Scotland totalled a mammoth £5.6 billion. So between 2005 and 2008, there has been a drastic real terms decline year on year in defence spending in Scotland. In total, the last Labour Government slashed defence spending by £150 million in those years. There was actually a 3% cut in defence spending between 2006-07 and 2007-08.

Gemma Doyle (West Dunbartonshire) (Lab/Co-op): Can the hon. Gentleman advise me whether his party's recent U-turn on an independence referendum is in recognition of the fact that 40,000 defence jobs in Scotland would be lost if it became independent?

Angus Robertson: The hon. Lady has obviously not been listening to the facts, because under the Government she supported, defence spending was cut in Scotland. Unfortunately, we have had no apology for that. We are going to the country in next year's election and the people will have their say. Perhaps the Labour party will live up to the invitation from their former leader to "bring it on", but they may not be so confident about that now. The lack of confidence is not with the SNP, but with the Labour party.

I look forward to an apology from anyone on the Labour Benches for the cuts in spending that Scotland endured and the cuts in jobs that the defence sector in particular suffered. Since Labour's strategic defence review—according to the MOD's answers to parliamentary questions—10,480 fewer people are employed in defence jobs in Scotland, including more than 1,800 fewer service personnel, 4,600 civilian jobs and another 4,000 jobs that were supported by defence expenditure. We have had no apology from the Labour party for all those cuts.

Shockingly, there are now only 11,000 service personnel in Scotland. Pro rata, that is fewer per head than in the armed forces of the Irish Republic. If we spent our population's share of the contribution to the MOD on defence in Scotland, significantly more would be spent and the jobs total would increase.

When Labour was in government, it amalgamated regiments, destroying the golden thread, which was so important to Scottish infantry regiments. In the first tranche of cuts at RAF Lossiemouth, 340 service jobs were lost. In the second tranche in 2005, 700 service jobs were lost. At RAF Leuchars, 160 service jobs were cut and at RAF Kinloss it was 180 service jobs. RAF Buchan and RAF Stornoway were closed and RAF Machrihanish was mothballed. The Royal Navy mooring and support depot at Fairlie was closed. The Royal Naval storage depot at Rosyth was closed and HMS Gannet lost 245 service jobs. That all happened on Labour's watch and we have yet to have an apology. Since the last SDSR, it has been established as a fact that there have been cuts to defence jobs in Scotland, while MOD statistics show that the numbers have risen elsewhere in the UK. A mammoth, multi-billion pound defence underspend has opened up, and we hear from the SDSR that serious cuts are pending.

Despite the fact that there are fewer air bases and aircraft in Scotland than in our Scandinavian neighbours of comparable size, the SDSR is considering base closures; despite the fact that there are only four Army battalions based in Scotland, there are fears that Scottish-recruited units could be further cut and barracks closed; despite the reduction of conventional naval craft to a handful of minesweepers, there is an option to cut them yet further; and despite military command functions having been recently downgraded in Scotland, a further downgrading is being considered.

There is a real danger in this defence review of a further geographical concentration of the UK defence footprint, away from Scotland, Wales, Northern Ireland and the north of England: look where the current service headquarters are, look where the main operating bases and garrisons are, look where the main training facilities are, look where the defence budget is being spent, and ask whether this trend is going to continue. As I said in that earlier debate:

> "UK Governments have been content to recruit young men and women from across these islands and often to send them into harm's way. At some point soon, the MOD must ask itself whether it is acting in the interests of the whole UK. Defence policy is not just about strategic and foreign policy considerations, which must of course drive any review; it is also about the defence footprint, about where our personnel are stationed and about where defence resources are spent"—[*Official Report*, 20 July 2010; Vol. 514, c. 68WH.]

among many other factors.

There is a challenge here to Defence Ministers, the Conservative party and the Liberal Democrats: will they intervene in the SDSR to ensure a balanced defence footprint across the nations and regions of the UK? We will not have to wait long to find out, but I hae ma doots.

2.1 pm

Mr James Gray (North Wiltshire) (Con): In congratulating the Backbench Business Committee on choosing this extremely important topic for debate, I would say very gently to the hon. Member for Moray (Angus Robertson) that I do not view it as an important occasion for party political knockabout, or as an occasion to talk up one of the regions or nations of Great Britain in the way he did. The nature of the debate was much better typified by the excellent speech by my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot), the Chairman of the Defence Select Committee, who approached criticism of how the SDSR is being handled in the most sensible, intelligent and balanced way. That is what we ought to be doing.

As chairman of the all-party group on the armed services, it would be wrong if I did anything other than start by paying the most wholehearted tribute to the men and women of our services who are doing such fantastic jobs in Afghanistan. There are two types of occasion, both very important in my life, on which I would not be able to look people in the eye, if I felt that the SDSR was doing anything other than its best for our armed services. The first are the regular occasions on the high street of Wootton Bassett, where the families of the fallen servicemen stand in silent tribute alongside the townsfolk. If I thought I could not look them in the eye and say, "The House of Commons and the Government are doing their best for our people in Afghanistan," I would not be doing my job.

Equally, when, as chairman of the all-party group, I welcome back each brigade returning from Afghanistan—the next is 4th Mechanised Brigade, which is coming to the House of Commons on 23 November—it is important that we are able to say to those people, "We here have done our best to enable you to do your job." And I hope that is the underlying principle behind the entire SDSR.

Mr Deputy Speaker, I hope that you will forgive me if I leave behind the more broad and clever discussions about the SDSR, how the foreign policy baseline is being considered, and how the whole strategic consideration is taken forward. Cleverer people than I will be advancing those arguments today, so in the short time available to me, I intend to leave those to them and instead focus on one extremely important aspect of the SDSR—the strategic air transport fleet and where it is based. Hon. Members know that I have a personal interest in these matters, although I do not intend to make this an entirely constituency-based contribution. I will seek to advance

the argument that proper consideration of our strategic transport fleet is a vital, underlying principle behind the entire SDSR.

We have a fairly major crisis on our hands. The C-130K fleet, which has done such a fantastic job over many years—50 years altogether, I think—is nearing the end of its life. But so too, as I understand it, is the C-130J fleet. Those new Hercules were brought in very recently, but the tremendous battering they have had in Afghanistan means that many of them are nearing the end of their economic lives—in other words, their maintenance may well cost more than renewing them.

Equally, we are faced with the dreadful procurement shambles surrounding the A400M. We do not know when that plane will finally come into service, and we do not even know whether it is the right plane. It probably is—we are probably moving towards accepting the A400M as the right way forward—although many in the RAF would have preferred further C-130Ks and C-17s. However, the procurement and bringing into service of the A400Ms have been beyond words a shambles, and we do not quite know when they will be in service.

Just this morning, we saw a report from the Public Accounts Committee saying that the procurement process for the fleet of 14 new AirTankers that we are buying is equally shambolic. We do not know what the cost will be and we do not know how the planes will operate, and if we do not do something about it pretty quickly, we will have a real problem on our hands. And of course the VC10s and the Tridents are nearing the end of their useful lives too. We also have a fairly major crisis on our hands with regards to the air bridge to Afghanistan and all our air transport requirements, so I hope that the SDSR will pay real attention to that. I am sure that it will. It seems to me that a combined fleet of C17s and new Hercules C-130Js has an awful lot to recommend itself, but it might well be that we are too far down the track we are on.

Without boring the House, I will focus briefly on how the previous Government concluded that we should close RAF Lyneham. We have two air transport bases: one is RAF Lyneham and the second is RAF Brize Norton, but the previous Government proposed that we close RAF Lyneham and put all our air transport assets—both cargo and personnel—into RAF Brize Norton, reducing from three to one the number of runways we have, over-cramming RAF Brize Norton and leading to all kinds of complications and a vast capital investment in that base.

A large amount of money has already been spent on RAF Brize Norton, and I am not a good enough accountant to say whether so much capital has been spent already that it is impossible to reverse that decision, but I hope that it is not. Some of the accounting I have seen with regard to the move is questionable to say the least, and pouring good money after bad is not necessarily the right thing to do. I hope, therefore, that the SDSR will re-examine the bringing together of all our transport assets at Brize Norton, from a strategic and tactical standpoint, from my own constituency standpoint and from a financial standpoint. I presented to the last Government a dossier of thoughts on these matters, which I will ensure that the MOD has before the end of the consultation period next Friday. I hope it will make it a central part of the considerations on the SDSR.

With regard to my own constituency, if I am not successful in persuading the SDSR to reconsider the closure of RAF Lyneham for the RAF, I would like it to consider the base as a suitable place to bring back some of our 25,000 soldiers who we hear will be returning from Germany. It is close to Salisbury Plain and to all sorts of other military assets across Wiltshire. It is a secure base, has plenty of space, accommodation and buildings, and its runways will always be there, so it would be an ideal place for quick deployment of the Army. And the local community across Wiltshire, which would be so badly affected if the base is closed entirely, would welcome the Army there.

Alison Seabeck (Plymouth, Moor View) (Lab): I understand why the hon. Gentleman is making the case he is making, but is he aware that there would be a considerable cost to the Government in bringing the troops back from Germany in that we would have to pay the German Government considerable sums in order for them to take back some of those capital assets?

Mr Gray: The hon. Lady makes a good point. There would be a large cost in bringing our troops back from Germany, not least in providing accommodation for them when they got back here. Lyneham probably does not have big enough barracks, so there would have to be some capital investment. None the less, looked at over a longer period, I would hope that our presence in Germany would no longer be required. I know that the coalition has expressed its desire to bring our troops home from Germany, but the hon. Lady is right to say that there would be an economic consequence of doing so.

The base at Lyneham would be ideal for many Army requirements—one thinks in particular of the Royal Logistic Corps, which has two bases, one of which is in my constituency, at Hullavington, with the other at South Cerney. Bringing some of the Royal Logistic Corps people together in one place at Lyneham would be sensible, although there are a variety of other Army requirements for which Lyneham would seem to be ideally suited.

I would like to make one final plea to the Minister. If the RAF indeed leaves Lyneham, which we hope will not be the case, and if a satisfactory Army use for the base cannot be found, there are plenty of other things it could be used for. I have seen military bases vacated before—RAF Wroughton, under the previous Conservative Government, is one example that springs immediately to mind, as is Corsham in my constituency. What tends to happen is that Defence Estates sits on the vacated base and nothing happens for many years. People cannot make up their minds what will happen next, the economy of the area spirals downwards, vandals move into the base, nothing happens, and there are terrible consequences for the local area.

If my pleas to keep the RAF at Lyneham or to bring the Army in are not successful, will the Minister please guarantee to do one thing—something that I am glad to say my right hon. Friend the Prime Minister undertook to do in responding to me at Prime Minister's questions some time ago? Will the Minister pull out all the stops to ensure that the appalling consequences for my constituency that would result will be minimised by the MOD and other Departments, and that Defence Estates

[Mr Gray]

will take steps to move out of the base as swiftly as possible, hand it over to local industry—or perhaps to low-cost local housing or other useful local purposes—and engage with the county council, myself and others to ensure that we create something in Lyneham that is economically and environmentally better for the area? We need something that we can look at and say, "We're sorry that the RAF had to leave Lyneham after so many years of such distinguished service to the nation; none the less, that had to happen under the SDSR. What we now have at the vacated based at Lyneham is better than what we had before."

Finally in the context of my constituency, let me say two things. First, I have seen the airmen and women from RAF Lyneham serving in Iraq and Afghanistan, as well as a variety of other places around the world. I know them and their planes well, and there is no finer group of people than the C-130J and C-130K pilots, engineers and others. The second group of people to whom I should like to pay tribute are the good people of Wootton Bassett. Tribute has been paid to them in the House before, but they make a vast contribution to the defence of this realm and to raising appreciation of our armed services. Week by week and in all weathers, they turn out and stand in the High street. They seek no thanks and no honour, but my goodness me, what a fantastic job they do, as they stand in proxy for all of us, in paying tribute to our fallen heroes.

2.12 pm

John Woodcock (Barrow and Furness) (Lab/Co-op): May I associate myself absolutely with the remarks that the hon. Member for North Wiltshire (Mr Gray) made about Wootton Bassett? Let me also add my thanks to the Backbench Business Committee for securing such an important debate at such an important time. I also commend the Defence Committee Chair, the right hon. Member for North East Hampshire (Mr Arbuthnot), on his speech, on the Committee report that he led and, if I may say so, on making me welcome and part of the process, as a new member of the Committee and a new Member of the House.

I want to build on some of the things that have been said. It is important to make the point that Members on both sides of the House should learn from our recent history in this area under Governments of both colours. I should also like to press those in the new Government on how important it is that they should live up to the standards that they set for themselves in opposition. It is the case that successive Governments allowed the equipment programme to grow. That was not the preserve simply of the previous Government, although we have to recognise that it did grow, in part as a response to conflicts that no one seriously predicted at the time, but also because of our commitment to the Gray report, notwithstanding the important point made about that earlier. There is a need to correct that in the strategic defence and security review, but we, too, recognised that the correction needed to happen. It is important that the new Government go into the process with the right approach, which is why it is alarming that this does not necessarily seem to be happening and why the report that the Committee published this week is so critical, as was reflected in the right hon. Gentleman's speech.

The point about not making commitments in opposition that no Government can afford has been amply set out by my right hon. Friend the Member for Coventry North East (Mr Ainsworth), the shadow Secretary of State, in relation to helicopters and the size of the Army. I do not think that the point needs to be added to further, but I hope that we get a commitment from the Minister in winding up that the Department has secured from the Treasury what it needs to be able to take a long-term view. It is no secret that the Secretary of State has been pressing to be given a 10-year spending envelope in which to make decisions, in recognition of the fact that if cuts are made too gravely in the early years, enormous capability will be lost, when the same size of budget reductions spread over 10 years could deliver a massively different profile.

It is fair to say that the Secretary of State has privately indicated that he thought that he had assurances on that commitment. However, given this debate and the obvious uncertainty over the Trident successor programme, which has been touched on and on which I shall comment shortly, it is important that the Department should set out whether it has indeed secured that commitment from the Treasury. Reference has been made to this in different ways, but whatever the outcome of the review, it is also critical that our prized defence industry maintains its capacity to deliver for our armed forces, as well as supporting our manufacturing industry and the many important high-skilled jobs across the country.

Mr Denis MacShane (Rotherham) (Lab): One does not think of my constituency as being a big arms-producing centre, yet there are four Rotherham firms that are suppliers to the Astute submarine programme, along with about two dozen altogether in South Yorkshire, including Sheffield Forgemasters. We need to make it clear that if the cuts happen and the submarines are no longer to be built in Barrow, it is not just Barrow that will be affected, but the entire northern manufacturing and engineering base, which already faces serious cuts with the Sheffield Forgemasters scandal. I therefore wish my hon. Friend well as he defends submarine-building, which also contributes to my constituency's economy.

John Woodcock: My right hon. Friend is absolutely right, and I am grateful to him for that point. He mentioned the firms in his patch in Rotherham. It is indeed striking that in the supply chain for the Astute submarine programme alone, which is a significant but relatively small part of the overall defence industry in the United Kingdom, there are, by my reckoning, more than 1,400 firms, spread over 1,500 areas of the country, that contribute in some way—either directly, because they are defence contractors or small or medium-sized enterprises, or indirectly, in that although they are not part of the defence industry, they none the less get important business from the Astute programme.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Indeed, there are many companies across the country, including nine in Middlesbrough, in the neighbouring constituency to mine, that are affected by the strategic defence review. I worked at one of them, Lionweld Kennedy, some years ago. The SDSR will also assess the aircraft carrier programme, and the Corus Skinningrove site in my constituency provides components as part of those important aircraft carrier contracts.

John Woodcock: Absolutely; my hon. Friend speaks well. He highlights the point made by my right hon. Friend the Member for Rotherham (Mr MacShane) that we too often look at the defence industry in silos. It sometimes seems that I, as the MP for Barrow, should be the one who supports the submarines, while my hon. Friend the Member for Glasgow South West (Mr Davidson) should support the aircraft carriers. However, there is a huge interconnectedness in the industry that we forget at our peril. We in this House should be united in insisting that the Government maintain this capacity, not simply because of the jobs that are directly dependent on it—although they are critical—but because of the industry's export capacity, which the new Government, to their credit, have said that they want to boost.

However, the alarming shortcomings that have been found in the current SDSR process pose a grave risk to this country's ability to punch significantly above its weight in regard to its export capacity. We are currently punching about three times above our weight, and I want to see that increase. I will support the new Government in any practical measures that they can take to secure that kind of improvement, but the last thing we should be doing is rushing the process and taking too short-term a view of our deficit, because that could damage our export capacity and have grave knock-on economic consequences for decades to come.

The most important aspect of the need to maintain a viable and vibrant defence industry is the way in which it supports the front line. This applies not only to the unparalleled kit that we can make available to our armed forces in combat on a planned basis, but to the occasions on which they come to us with urgent operational requirements, as they have done several times during the conflict in Afghanistan. The UK Government are able to process orders that enable kit to get to the front line far more quickly by using our vibrant UK industry than they ever could by knocking on the door of foreign contractors and asking to be bumped up the queue, only to be told, "No, sorry, we have more pressing things to attend to." We must retain that capacity.

An example of companies in my constituency responding to urgent operational requirements involves the solid state lighting industry. Companies such as Marl in Ulverston are doing incredibly innovative work to create new infrared lighting solutions that will give our troops the cutting edge in combat. We must keep such examples in mind as we go.

My final point is on the central importance of not putting off difficult decisions. The Secretary of State was absolutely right to say in his speech on Government procurement and investment to the Royal United Services Institute on 8 February this year:

"The default position should be 'spend to save' not 'Delay to spend'. Speedy procurement saves money."

We must hold up our hands and acknowledge that we might sometimes have fallen short of that ideal, and that we need to find ways of improving on that in future. However, it would be the gravest folly—particularly in regard to the Trident decision, which is close to my constituents' hearts—if the new Government were to rip up the principle that they had in opposition and imposed a delay that would cost more and put the supply chain at risk. That could leave us without vital capacity.

I hope that the Minister will respond to those points. Will he also tell us whether he still agrees with what the Secretary of State said, and whether he will guarantee a round-the-clock submarine-based nuclear deterrent for the future? It is essential that we have an answer to that question.

2.26 pm

Dr Julian Lewis (New Forest East) (Con):

"When it comes to our nuclear deterrent, there are some straightforward questions to answer. Should it be replaced? Do we need a submarine-based system? Does the decision need to be taken now? Our approach to all those questions is to answer yes."

Those are not my words, but the words of my right hon. Friend the Member for Witney (Mr Cameron), now the Prime Minister, on 4 December 2006, when he gave an excellent response to the statement by the then Prime Minister, Tony Blair, on why the Trident programme should be renewed. My right hon. Friend went on to say:

"Conservative Members have always believed that Britain should have an independent nuclear deterrent"—

and that

"Those who argue that the world has changed so that no deterrent is required miss the point. Yes, the world has changed, and it continues to change rapidly, but that is the very case for keeping up our guard. Just as today's threat is so different from that predicted 20 years ago, today we cannot predict the threat that we will face in 20 years' time. Still less can we predict the threat in 40 to 50 years' time, when the next generation of submarines will still be in service."

Finally, my right hon. Friend pointed out that we need a credible deterrent, both against rogue states and against serious, modern, well-equipped states that pose a more traditional threat to our security. He said:

"We should have a credible deterrent to both."

He went on to say that

"the key to a credible system is that it is not vulnerable to pre-emptive attack…Do not all the experts agree that, of the three options of land, air or submarine-based systems, the submarine-based system is the least vulnerable by far?"—[*Official Report*, 4 December 2006; Vol. 454, c. 24.]

That was why, when the vote was held on replacing the nuclear deterrent with a successor to Trident on 14 March 2007, the Conservative Opposition voted very strongly with the Government. The motion was carried by 413 votes to 167, with the Liberal Democrats and some Labour rebels voting against.

Following that, the Conservatives gave a manifesto commitment at the last election, committing our party to replacing the Trident nuclear system with a successor system that would be submarine-based. We went into the election on that basis, but did not win enough seats—sadly, it must be said—to form a Government by ourselves. Conservative MPs were summoned, got together and addressed by our party leader. We were told about the various offers made to form a coalition with the nuclear deterrent—*[Laughter.]* Sorry, I mean with the Liberal Democrats. Because the nuclear deterrent was such a major issue of difference between us and the Liberal Democrats, a special mention was made of it, and it was stated that the successor to Trident would be carried forward and that the Liberal Democrats would have to accept it. I particularly remember a senior colleague looking at me, catching my eye at that moment, and giving me a reassuring nod because he knew of my concern about this issue. That was my right hon. Friend, as he now is, the Chancellor of the Exchequer.

[Dr Julian Lewis]

I must say that when I came to the Chamber this morning, I was very agitated because it appeared that someone—a Government source—had spoken to the BBC suggesting that this commitment was in doubt. As I said in an intervention, if so, this was particularly alarming because it would be a betrayal of the commitment the Conservative party gave to the electorate and a betrayal of the commitment the Conservative party leader gave to Conservative MPs when seeking their support, which we gave, to the formation of the coalition. I cannot imagine that such a betrayal would take place. I must say that I am considerably reassured by the answers I have had from the Minister for the Armed Forces to questions put to him earlier in the debate.

John Woodcock: I associate myself with much of what the hon. Gentleman is saying, although I cannot comment on the internal workings of the Conservative party. Does he agree that although the earlier assurance from the Minister for the Armed Forces was welcome, there has been so much confusion on this issue that it requires the Prime Minister to clarify once and for all precisely what the policy is, without ambiguity?

Dr Lewis: I think it would do no harm at all for the Prime Minister to make a further statement. He has always been unambiguous about this in the past and he was unambiguous about it when he was seeking the leadership of the party. It was a specific issue about which I asked him personally when I was reflecting on who to support and he was very firm in his commitment to the continuation of the nuclear deterrent.

I am not quite sure what actually happened with the generation of this story. We have heard from the Armed Forces Minister that, as far as he knows, it had nothing to do with anyone employed by the Government. On the other hand, the BBC says it got its story from "Government sources". Those two statements are hard to reconcile. It is possible that someone somewhere on the press side in government thought they would take a punt at it, or perhaps someone thought they would fly a kite. The idea of flying a kite would be to say, "Well, let us see if we can shift this decision a little and see what sort of a reaction it gets."

I hope that the reaction this has got so far—notably from my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) in his excellent interview on the "Today" programme this morning and to some extent, I hope, from the contributions I have made in the Chamber today—has been sufficient to send a message to anyone anywhere in government that if they think that Conservative Members who have devoted their political lives to the protection, the maintenance, the justification and the support for a strategic nuclear deterrent would be prepared to play back-somersaults on an issue of this sort, they have got another think coming. This is not going to happen.

One of the advantages of my having been able to campaign for 28 or 29 years on the same subject both outside and inside Parliament is that I have seen these things happen over and over again. It may be that some bright spark in the coalition thought that it would be a good idea if we could just shift the particular decision from one side of the next general election to the other, it would postpone some potential fissure between the Conservatives and the Liberal Democrats within that coalition. Let me assure anyone who holds that view that, on the contrary, any such move to delay will fuel the very divisions and uncertainty that people wish to avoid.

I have been here before, on an international scale. I remember when the decision was made in 1979 to deploy the cruise and Pershing II missiles in five NATO countries to counter the SS-20 deployments by the Soviet Union from 1977. However, there was a fatal flaw in what was done. It was announced in December 1979 that the deployment would take place, but it was not actually due to take place until November 1983, which was when the cruise missiles came in. That reopened the whole controversy, and gave new life to those who always oppose a nuclear deterrent or deployment. It was a fatal mistake. Anyone who makes a decision on a matter of this sort must make it in principle. We made it in principle, and we made it in principle in 2007.

Our attention has been drawn to some small print. We have been told that if we look at the coalition agreement, we will see that the deterrent will be replaced, and that it will be replaced on the basis of value-for-money assessments. Hon. Members will have heard me ask the Armed Forces Minister whether that could possibly be interpreted as meaning that the deterrent should not go ahead at all. He seemed to say that that could not be the case, but there is a problem. If we put off the decision about the main gate, we will reach a point at which, if it were decided not to proceed through the main gate with a replacement of Trident, the only conceivable alternative would be the one that we hear time and again from the Liberal Democrats: cruise missiles on Astute class submarines. That whole programme would have to be designed right from the beginning, and there would be no way of preventing a fatal gap which would ensure that by the time the programme had been designed, there would be no submarine-building capacity left at Barrow-in-Furness. I see the hon. Member for Barrow and Furness (John Woodcock) nodding in agreement.

I have seen these tricks played over and over again. People are unwilling to say that they want to get rid of the deterrent because they know that, politically speaking, that would be suicide, so they try to find indirect means of scuppering it. We will not fall for that sort of trickery.

2.37 pm

Mr Jeffrey M. Donaldson (Lagan Valley) (DUP): I welcome the opportunity to contribute to the debate. Let me begin by paying tribute to the soldiers of the Royal Irish Regiment and the Irish Guards who are currently being deployed to Afghanistan: our thoughts and prayers go with them, and they take our best wishes in support of what they are seeking to do in that country.

The hon. Member for Moray (Angus Robertson) mentioned the defence underspend in the regions of the United Kingdom. It is clear that the commitment of the regions to deliver men and women to serve in the armed forces is undiminished, and it is therefore a matter of regret that we do not receive our fair share of defence spend. In Northern Ireland the underspend amounts to £1.8 billion over five years, representing 74.2% of the total spend as a percentage of our population share. We

want that to be addressed in the context of the SDSR. Moreover, following the recent closure of RAF Aldergrove, Northern Ireland has no RAF or Royal Navy presence. Although we still have the welcome presence of the Army, that is another indication of the diminishing role and presence of the armed forces in the region of the UK that I represent.

I want to touch on two issues. The first is the future role of the reserve forces. At present, the strength of the Territorial Army in the UK is just over 27,000 on an establishment of 38,500. That reflects the underfunding of recruiting activities for the Territorial Army, the cap that has been placed on numbers, and the fact that there is inadequate funding of TA training activities. The SDSR must address that.

The reserve forces of the UK, and particularly those in the United States, have proved to be very effective both as formed units and as individuals when serving in Iraq and Afghanistan. That proves not only their military value in enduring operations, but their cost-effectiveness as a source of military potential and mass when the threat or commitment requires it. It is worth noting that 24,000 reserve members of our armed forces have served on operational duty since 2003. The MOD must not undervalue the reserve forces or see them only as a source of cost savings, as opposed to a cost-effective, efficient vehicle for maintaining capability in UK territory.

The Secretary of State emphasised in his recent speech to the Royal United Services Institute that the SDSR must be about not salami slicing, but real change. Enhancing the role of the reserves in different defence roles, including helicopters, would represent real and sensible change. The United States and other allies, including Canada, have transformed their armed forces and lowered manpower costs by adopting a "whole force" approach, thereby achieving a significantly different balance between the regulars and the reserve component. While doing that, they have continued to commit substantial forces to meet enduring commitments over a 10-year period, with considerable success. That proves that deploying reserve forces does not diminish the military capacity of countries such as the United States and Canada, and there is no reason why that would be the case in the UK.

Therefore, in the context of the SDSR it may be necessary to direct a new work stream, integral to the ongoing work, to ensure that there is a major rebalancing of the regular and reserve mix. Reservists should be involved in the development of the SDSR, including making provision for a different model: an organisation that generates relevant capabilities and force structures at lower costs to deliver the proposed defence planning assumptions. It is worth noting that at full cost annual capitation rates, a TA soldier deployed on operations is generated at 55% of the cost of his or her regular counterpart. Instead of diminishing the TA estate and reducing the number of units, I hope that as a result of the SDSR, the Government will enhance its capacity and role in our armed forces.

Maintaining effective armed forces is not only about manpower and resources; it is also about the welfare of those who are serving, or have served, in them. To maintain both morale and decent rates of retention, we must look after the needs of service personnel and their families as well as those of veterans. Whatever cost cutting there is to be as a result of the SDSR, these men and women must not be short-changed by having their welfare diminished. Whether in the standard of living accommodation, the health and mental well-being of service personnel or, crucially, supporting those bereaved through the loss of a loved one, the Government must do the right thing in providing for the welfare of our armed forces.

Like many other Members, these days I frequently encounter veterans who are fighting to gain proper recognition for their medical condition or needs, such as post-traumatic stress disorder or hearing loss. Pensions are being reduced, benefits denied and accommodation is not available for them—I have encountered veterans who are homeless and destitute, which is disgraceful. This must not be permitted to continue. We must look after our veterans and our service personnel properly. Between 7% and 10% of all service personnel are medically downgraded or are awaiting a decision on medical downgrading. Again, these people need and deserve proper care and support.

I support the Royal British Legion in calling on the Government to introduce health screening and monitoring for service personnel and vulnerable dependants, and to ensure that priority is given to those deployed for extended periods, their partners and those who have been medically downgraded. I also endorse the Legion's call for the establishment of an independent legal advice service to provide support for bereaved armed forces families and to guide them through the inquest process. Ministers will be aware of the reforms that were introduced for military inquests by the Coroners and Justice Act 2009. I hope that they will implement them as quickly as possible, which will help families following the death of a loved one.

I am horrified by the difficulties that Mrs Brenda Hale, a constituent of mine whose husband, the late Captain Mark Hale, was killed on active service in Afghanistan, has encountered from time to time in gaining the support that she is entitled to receive as a widow. That is unacceptable. If we cannot treat properly the families of soldiers who are lost in active service and meet their needs, we are failing all our armed forces.

The health and well-being of our armed forces must continue to be a priority for the Government, and I hope that that will be reflected in the SDSR.

2.46 pm

Penny Mordaunt (Portsmouth North) (Con): Allow me to take you back to the evening of 31 March 1982, Mr Deputy Speaker. The Prime Minister has just delivered a statement to the House of Commons, and is working in her office behind the Chair in which you now sit. She is occupied by thoughts of the uncertainty of Argentine intentions towards the Falkland Islands. The Defence Secretary telephones in a state of some agitation to report that the Argentine fleet is in full sail and likely to invade the Falklands in the morning of Friday 2 April. His advice is that should the islands fall, they cannot be retaken.

A meeting is convened with Foreign Office and MOD officials. Turning to the Chief of the Naval Staff, Sir Henry Leach, the Prime Minister asks for his assessment. Sir Henry replies: "I can put together a taskforce of destroyers, frigates, landing craft and support vessels, which will be led by the aircraft carriers HMS Hermes and HMS Invincible. It can be ready to leave in 48 hours." The Prime Minister gives the order to assemble.

[Penny Mordaunt]

Developments such as the Falklands war, the collapse of the Soviet Union and 9/11 were largely unforeseen; others, such as the ongoing dangers of international terrorism, are more readily perceived. The dangers of unpreparedness are real and the consequences extreme.

These are difficult times for every Department, but especially for the Ministry of Defence. The MOD cannot conduct its spending review with a blank sheet of paper because we are at war. The equivalent might be the Department of Health trying to balance its books in the midst of the cholera epidemics of the 1800s. In those circumstances, the question we must ask is this: can we knowingly fail to equip ourselves with a defence capability that will be relevant in all possible military scenarios, one that can be deployed with speed, and one that in many cases will be the lead point of action? Emphatically, the answer is that we cannot.

We cannot with conscience be without the security of the Queen Elizabeth class aircraft carriers, which would greatly enhance Britain's defence and security position. They would permit the UK to deploy essential offensive air power with our entire range of fast jets or helicopters that we have or may have without regard to establishing a land base or a supply chain, and without receiving overflight permissions. British forces could act at the discretion of our political and military command without the staying hand of uncooperative third states, and, once in position, with more penetration and versatility than our current carrier fleet.

Our country may be small, but we are a large nation. We have responsibilities to ourselves and our international partners. The Queen Elizabeth carriers will ensure that we can act unilaterally, as in the Falklands, and guarantee a leading role in bilateral and multilateral operations. The carriers will support larger and more frequent sorties than our current ones, and their amphibious assault capability means that they can cover when HMS Ocean is unavailable. They could support unmanned aircraft, and the flexibility provided by their large deck space will increase our potential to support humanitarian and evacuation missions.

The very nature of a carrier strike means that we can intervene militarily without needing to commit troops on the ground or, where soldiers are required in theatre, that the way can be prepared with air strikes and those troops landed from the same ship. Yet such is the military capability of these carriers that their deployment would serve as a significant deterrent to action within Britain's sphere of influence, filling the deterrence gap that exists underneath the level of action which is obviated by the nuclear deterrent.

Ours is an island nation, defined by ocean-bound borders. The defence of the realm, the security of our fuel and food supply, and our international presence depend on naval strength. What I have described is the challenges that we face and the capabilities that we need to meet them. These challenges do not rest; global terrorism does not operate on a part-time basis and conventional military threats are not confined to traditional campaigning seasons. We must be ready to meet whatever faces us, at all times and at a moment's notice. To do that we must commission both the Queen Elizabeth and the Prince of Wales carriers. Arguments to build just one or to sell the second off fail to understand the practicalities of maintaining the operational readiness of a carrier strike force or their export market, which lies solely in design, and not in finished ships.

I have long argued that the key to securing our shipbuilding industrial base is to ensure that our Royal Navy ships are exportable and to build on those markets. We can then have a slower drum beat for British ships, because we will be less reliant on Royal Navy work. A more sensible drum beat would mean that we could make savings and, I hope, be able to afford the number in the surface fleet that we should have. Unlike the Type 26, which has strong whole-ship export potential, if we are sensible about the amount of gadgets and gizmos it has, the carrier's export market is limited to its design and, of course, its excellent engines and other components. Let us not forget that these, too, will provide British jobs and receipts to the Exchequer.

Although I have sympathy with the arguments of the off-the-shelf exponents—we should, of course, be using our defence budget to get the best kit at the best price, to best equip our forces—they fail to grasp the merit of retaining the capability to develop and maintain our assets. The unique collaboration between the Royal Navy and the private sector at Portsmouth navy base delivers on the MOD's challenging targets for operational readiness of the surface fleet. Yet even with this excellence in repair, refit, development and—let us not forget—training, no ship can be at sea, or ready to go to sea, for 365 days a year. Therefore, if we want to have this carrier capability, we need two ships; one carrier is not an option—it is all or nothing, and nothing is not an option.

In recent years, carrier strike has been employed in the Falklands, Bosnia, Kosovo, Sierra Leone, Iraq and Afghanistan, extending Britain's reach into landlocked countries and across the globe. When the carrier fleet has not been pressed into action, its constant presence has served as a deterrent to those who harm us and our interests. If anyone needs further persuasion, they should consider who is equipping themselves with carrier strike capabilities. It is not only our old colleagues on the Security Council, but emerging nations such as Brazil and India. To sustain our position in the vanguard of world diplomacy and our seat on the permanent Security Council, we must not be left behind.

With two carriers we will have continual and immediate protection. In an unpredictable world, it is hard to evaluate the return on investment, and in a defence context the ultimate return on investment can be achieved only in the most dread of circumstances. The Queen Elizabeth carriers are well able to meet the challenges of this unpredictability: they are multi-use; they can perform amphibious operations as well as carrier strike; they are value for money; they will last for 50 years; we will use them; they will prevent conflict; and they will lead our response when those dread circumstances do arise.

There is often a lack of appreciation and understanding of what the Royal Navy does and of our complete reliance on carrier strike. That ignorance is testament to the Royal Navy's effectiveness. We have taken it for granted.

We are used to our admirals saying that we can be ready in 48 hours. If we want that to continue, we must realise that we can afford to build both carriers and that we cannot afford not to.

2.55 pm

Alison Seabeck (Plymouth, Moor View) (Lab): In June, when the SDSR was announced, I welcomed the fact that that was going to happen, following through on the work begun by the last Labour Government and by Bernard Gray, who delivered a report with entirely sensible and incredibly well thought through proposals that needed to be acted on to improve the efficiency and delivery of goods and services to and by the MOD. However, the CSR-SDSR time pressure being placed on industry, the MOD and other defence-related organisations is causing increasing uncertainty and real concern. That concern has been evidenced both here at Westminster and across the UK in areas that either depend on the viability of the defence industrial base or have service personnel stationed at them.

The Defence Committee, on which I sit, is forthright in its comments in its first report about the way and the speed in which the SDSR process is being undertaken—the case that was so well made by the right hon. Member for North East Hampshire (Mr Arbuthnot). I think that everybody in this House appreciated the frankness with which he delivered his comments.

Ben Gummer (Ipswich) (Con): Does the hon. Lady not concede that there were some strong suggestions when the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown) became Prime Minister that there would be a new defence review and a defence White Paper, neither of which was delivered even up until the point of the election, and that that is why we are having to undertake this review so quickly?

Alison Seabeck: The hon. Gentleman needs perhaps to get some of his facts in order. The last Labour Government's position and how we took forward the need for a review were set out very clearly by my right hon. Friend the Member for Coventry North East (Mr Ainsworth) earlier today. Perhaps the hon. Gentleman was not in the House to hear his comments.

The Committee acknowledges that there is a need for this review and for regular reviews in the future. We have been touching on the future needs of the UK and considering the future potential threats, as well as how they fit in with foreign policy, and I thought that my hon. Friend the Member for Birmingham, Edgbaston (Ms Stuart) described some of the issues from a pan-European perspective in an interesting and thoughtful way. The Committee came to the view, which I share, that there is huge potential for mistakes to be made and that those mistakes could be irreversible.

In their recent evidence to the Committee, businesses added their voice to the debate. They felt that the process was moving too fast and that there had been little and in some cases no contact between senior defence industrialists and some Government Departments, including the Treasury, which I find astonishing. However, that tallies with the comments made by the right hon. Member for North East Hampshire about a cacophony of anxieties. That was clearly evident from the comments that were made to us.

Indeed, when my hon. Friend the Member for Midlothian (Mr Hamilton) asked whether there was a risk that the cuts could affect the industries' capacity to continue to deliver and therefore put the defence of the realm at risk, the answer came back as a clear yes from Ian King, chief executive of BAE Systems. He went on to say that for

> "some of the capabilities in the programmes, you are at that critical point where if you cut back on them you will not be able to reconstitute the capability, and it will be lost to the UK. That will have an impact on the economy, because of the high-end skills that we have in the sector. Also, if you think of defence exports, an area in which the UK, I think, punches way above its weight, you will not be able to sustain that going forward."

From my constituency's perspective, those words cast a long shadow, and I make no excuse for being incredibly parochial. We have in our dockyard one of the most highly skilled and efficient work forces in the country—a company that is growing and adding value to the UK economy through its exports and to the local economy through the well-paid jobs it provides and the way in which they bring spending power into Plymouth and the sub-region. Babcock signed up to the terms of business agreement that the last Government set in place, which gives real value for money and provides significant efficiencies. It would be extremely difficult for the Government to get out of that agreement without significant cost.

The terms of business agreement reinforced the announcement in the maritime change programme that was made under Labour and my right hon. Friend the Member for Coventry North East (Mr Ainsworth) that Plymouth would continue to be a centre of excellence, particularly for deep maintenance work, and I trust that there is no intention to change that position. Our dockyard and naval base, to which I shall return, support about 7,000 jobs directly and about the same number again externally, including small and medium-sized businesses in the supply chain. My hon. Friend the Member for Barrow and Furness (John Woodcock) flagged up the supply chain in relation to the Astute submarine. I have here a map that shows clearly at least 100 main contractors for the carriers, 13 of which are in the south-west. Each of those 13 contractors has a multitude of smaller companies feeding into it, supporting UK defence.

We need those jobs. A recent BBC-Experian survey flagged up just how vulnerable Plymouth would be without them. We are 309th out of 324 local authority areas in terms of our dependence on public sector—including MOD—investment and jobs. If we were the subject of significant job losses, we would be disproportionately hard hit. Because of our peripherality, we are not in a position, without significant Government investment in transport and digital links, to attract large private sector companies of the type that the Business Secretary and the Chancellor seem to think will fill the gaps left by the removal of any public sector involvement. We know that that investment is not going to happen.

The city of Plymouth has an exciting growth agenda, but that could be scuppered if the wrong decisions are made in the defence review. The cost to the Treasury of the loss of fiscal income and increased benefit payments for unemployment and housing, as well as the loss of spending power and therefore of income because of the VAT increase, would be significant. If Plymouth does not thrive, the whole sub-region will suffer. The planned local economic partnership proposed by the Conservatives could struggle without a hub such as Plymouth that is really thriving. What has the Business Secretary got to say about this in relation to the SDSR? He really should have a view, as should the Secretaries of State for Work

[Alison Seabeck]

and Pensions and for Communities and Local Government, not least because Plymouth city council will be left to pick up the pieces as it had to when cuts were made to the defence industry under the previous Conservative Government. We know from bitter experience that it takes decades to recover from such a position and that that places a huge burden on the local authority. Perhaps that is why the Conservative leader of Plymouth council has added her voice to the campaign that is being taken to her party's Ministers to ensure that the SDSR does not damage Plymouth's economy.

Plymouth has the largest naval base in western Europe and has the capacity cost-effectively to take more work and more vessels. There is a very strong economic argument for making better use of our flexible facilities. We need to support the skills base by bringing more ships alongside, perhaps moving them from Portsmouth. The hon. Member for Portsmouth North (Penny Mordaunt) gave an extremely robust defence of the two carriers, and I utterly support that position. We could align the regular day-to-day maintenance with the deep maintenance.

Let me draw hon. Members' attention to an incredibly robust article in *Warships International Fleet Review* by Francis Beaufort, entitled, "Will 'coalition of idiots' shut Devonport, give the marines to the army and send ASW"—anti-submarine warfare—"on holiday"?" In the article, he comments

"None of Portsmouth's fleet support facilities compare with Devonport's. The latter can refit nuclear-powered submarines, handle deep work on surface warships...as well as offering a world class Operational Sea Training centre for the Royal Navy."

and so it goes on. The article also touches on flag officer sea training from Plymouth, which brings in a healthy income and can operate only in Plymouth because we have fast access to deep water. That is not the case anywhere else in the UK and certainly not in Portsmouth, where ships would have to negotiate busy shipping lanes. The Thursday wars that are operated so easily in and out of Plymouth simply could not be done anywhere else. So, I hope that that is not being considered as something to be moved.

The Navy needs to retain its amphibious strength. Significant investment has gone into, and is going into, Plymouth to support the Royal Marines, who are due to move there from Poole shortly. That capability is crucial to the shape of the future fleet and links to the need for the two carriers. I strongly counsel against any move to mothball the three vessels and landing craft that are currently based in Plymouth.

If the Treasury and MOD can sort out their turf war, they should look at whether, given the statements of the Prime Minister and the Foreign and Defence Secretaries in the run-up to the election that we must retain three naval bases, there is scope for minimising Portsmouth in a way that enables it to capitalise, as Plymouth cannot, on the commercial interest in the site and the higher land value of the MOD asset there, while retaining a Navy presence in Portsmouth, including its headquarters.

Devonport has a long naval history, with its infrastructure, skilled personnel and natural providence. The MOD could do a lot by protecting and, indeed, expanding Plymouth, but at the very least the new Government should stick to the findings and proposals of the maritime change programme and the naval base review which underlay the Government's guarantee of a bigger and better future for Devonport, because it simply makes sound economic sense.

3.5 pm

Oliver Colvile (Plymouth, Sutton and Devonport) (Con): I am grateful to be called to speak in this debate on the issue of defence, which is so important to the Plymouth, Sutton and Devonport constituency. May I say what a delight it is to follow my neighbour and colleague the hon. Member for Plymouth, Moor View (Alison Seabeck). I associate myself strongly with much of what she has said.

In both my maiden speech and the Afghan debate last week I paid tribute to 3 Commando Brigade, 29 Commando, the Royal Marines and of course the Royal Navy, which have played an enormous part in ensuring a strong defence for us in Afghanistan. I will do that again today.

Obviously, the biggest issue that the coalition Government face is bringing our public finances back under control and delivering a defence and security strategy to protect our country for the years to come. This is not just a parochial matter for Plymouth; it is a much broader issue relating to the security of our whole country. This summer I submitted my own paper to the defence review. I argued that Devonport had a significant part to play in defending our country. It has done in the past and I very much hope that it will in the future. We are one of the oldest dockyards in the country, with 24,000 or 25,000 people dependent on the defence industry within the travel-to-work area. We have a highly skilled work force in a place with a reputation for low skills. It must not be ignored, and I very much hope that it will not be in the review.

I want to use this opportunity to ask the Minister to ensure that we retain flag officer sea training and the deep maintenance and submarine work on which the city is very dependent, and that we become a centre of excellence for amphibious ships and the home of the Royal Marines. We need to put Devonport's role in the context of the financial climate and challenges that our Government face and concentrate on the British international role. The review must assess Britain's role in a changing world, where there is a significant acceleration in the shift in income and global power is shifting from the west to the east.

In recent years a succession of natural disasters have taken place, and we have been expected—rightly so, in my opinion—to provide armed services to play a significant role in helping people who have been badly afflicted, whether in Pakistan in the recent floods or in response to the Tsunami five years ago. With Iran and North Korea developing nuclear capabilities, we must retain an operationally independent strategic nuclear deterrent that is effective and credible. The cheapest and most practical way of doing so is by modernising our Trident system. I therefore fully support the comments made earlier. I hope that this morning's speculation is exactly that—speculation without an enormous amount of foundation.

To my mind, NATO should be the cornerstone of our defence policy. Our contribution should reflect our maritime history and worldwide international interests.

We need an effective Navy, an effective Air Force, and effective amphibious forces. We need the two aircraft carriers desperately, and the logistical capacity in terms of naval and air cargo capability to support the international operations that we are involved in. I fully support the building of those two aircraft carriers, and the need for effective air power as well. We must retain a Navy and Air Force that are capable of engaging in state-on-state warfare, together with the capability to contribute to amphibious and wider operations.

While the UK and France should work closely together where we can, I am realistic about what that can achieve. If we are to have joint arrangements, I think that they should be with the United States of America; after all, we have much closer links with the United States than we have necessarily with France. It is no coincidence that some of the most enthusiastic proponents and advocates of Franco-British and joint European procurement are the defence contractors—I wonder why.

Government must reorder their priorities within public expenditure. The weighting of defence expenditure within public expenditure has fallen from 15% to 11%. In February, the Labour Government produced a Green Paper that assumed that defence should be planned at the current spending levels. That must be challenged. I understand that these views will not be very popular with my hon. Friends in the Treasury, but I believe that the principal issue in the level of defence spending should be deciding our political priorities. It is not that we cannot afford this; it is a question of the priorities that we choose within the public expenditure envelope. Defending our country must be the Government's top priority. At the end of the cold war, the defence budget stood at about 5% of gross domestic product. In the mid-2000s it was squeezed to 2.5%, despite our troops being committed to extensive overseas operations.

I want to leave the House with this one thought: we are spending less money on defence than we did in the 1930s. Let me repeat what one of my namesakes, Oliver Twist, asked of Mr Bumble: "Please sir, may I have some more?"

3.12 pm

Mr David Hamilton (Midlothian) (Lab): One of the interesting things about speaking this late on in the debate is that most of the things one was going to say have already been said. I must congratulate the Chairman of the Defence Committee—I am the Vice-Chairman, so I would say this—on a very good contribution that covered all the relevant issues from A to Z.

I should like to put on record the fact that our hopes and wishes go with the Argyll and Sutherland Highlanders, who are based in Glencorse barracks in my constituency and who, earlier this week, went out to Afghanistan to train up some 4,000 police officers. The solution that we are looking for requires the Afghan police force and army to be able to take over when we finally leave. I wish our troops well. Indeed, I will be visiting Glencorse barracks tomorrow.

Yesterday, someone asked me why I was involved with the Defence Committee when I had no background in the armed forces. When I left school, many years ago now—hon. Members may not believe that—people went into the pits, the textile industry or the Army. We have heard about the footprint that the armed forces have within the United Kingdom and how society has changed in this respect. If some of the cuts that are being talked about go ahead in bases throughout Scotland, and indeed the UK, some of them will go and there will be another generation with no connection whatsoever to the armed forces. That is what has been happening over the years. When I talk to young people, I find it more and more difficult to tell them about the relevance of our armed forces and why it is important to support them.

This has come about because of personal experience; we all do things because of our own personal experiences. I came into this House in 2001. I was on Capitol hill when the plane hit the Pentagon in 2001, so I have first-hand experience of what terrorism at a new level means. We have to deal with our situation in the 21st century and take on a new weapon: terrorism. That point has to be identified.

When I returned, I realised for the first time what it meant to represent people as an MP, rather than as a councillor or trade unionist. An MP is the only person who may have to put their hand up in this Chamber and decide to send young men and women to a conflict from which they might not return. That is a sobering thought for any politician, and it grounds them in what they are doing.

On that point, I must tell new Members that they can join the armed forces parliamentary scheme, which comprises the Navy, the Air Force, the Army and the Marines. I honestly think that any new Member should consider doing so. I have been on it since 2001, I am now on the second part and I have been all over the world. I have visited Iraq and Afghanistan not only with the Defence Committee but with the armed forces, and the scheme is absolutely brilliant for seeing and understanding exactly what life is like on the front line. In an earlier contribution, we heard about the other work of the armed forces. They do not just fight; they perform rescue work and a multitude of other tasks. When people get involved with the armed forces, they begin to understand the scale of their work.

As the only Scottish Member on the Defence Committee, my constituency is Scotland, and it would be remiss of me not to argue the Scottish case in terms of the review. In Scotland, we have more than 12,000 armed forces regulars, out of 178,000; 1,640 officers; 10,540 officers in the national armed forces; more than 4,000 people in the Navy; more than 3,000 in the Army; more than 4,000 in the RAF; and the Ministry of Defence and the armed forces employ more than 20,000 people throughout Scotland. They are massive employers.

The armed forces continue to have a significant presence in Scotland, with 381 sites. That was the footprint to which I referred earlier, and if we start to withdraw it we will begin to lose contact with the population. That is a very important point. There are 18 armed forces career and information offices throughout Scotland; 5,000 armed forces volunteer reservists; 10,000 cadets, in spite of that disappearing footprint; 10 university squadron corps; 58 Territorial Army centres; 17 combined cadet force units; four university officer training corps; and 220 cadet detachments, supported by 1,000 adult volunteers. The MOD spends an average of £600 million in Scotland each year, it awards more than 500 direct contracts and substantial additional jobs in defence and manufacturing go through it, too.

[Mr David Hamilton]

I listened to the hon. Member for Moray (Angus Robertson) discussing how much is spent in each region, and he painted a picture that should concern everyone, but if it were left to his party, we would be flying kites as an air force in Scotland and have Captain Pugwash going up the Clyde—probably in the name of Alex Salmond.

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): Will the hon. Gentleman give way?

Mr Hamilton: No. At the end of the day, we have to be realistic. Scotland is part of Britain, and that is why people join the armed forces. It is really important that we realise that.

Another important point for the review is that the UK defence industry employs some 300,000 people—a phenomenal number. In my constituency, a small factory unit employs 350 people including apprentices, and they need the aircraft carrier project to go ahead. They cannot have it delayed, because that would mean people being laid off; and once an employer loses people, as I know as an ex-miner, they will never get them back, because those people will find a future somewhere else. It is really important that we understand that point.

BAE Systems trains more than 1,200 people at any given time—it is a massive employer. In addition, UK defence exports amount to £7.2 billion—not million, but billion—so any effect on the defence industry will directly affect employment and Britain's exports, thus producing another problem. The great concern about the review is that it is Treasury-led, and it must be prevented from becoming an argument about jobs, important though that is. It is far more about the defence of the realm, which is the most important thing. Jobs are key, but this is about deciding where we are as a country. That decision has to be taken by every Member of the House, not by an alliance. We should decide what role we want to play in the world, and then we can decide what type of armed forces we should have to support that decision. Every single Member should want to play a role in that.

The hon. Member for New Forest East (Dr Lewis) is obviously going to be on the Back Benches for life given his comments today—just like me. I am one of the 126 rebels on Trident, and proud to be so. I understand Members' concerns and views—I think it is an immoral weapon and one step too far, but I also respect the views of colleagues and comrades who decide otherwise. However, the Treasury has now forced a debate by putting Trident into the MOD budget, and people will expect that debate to take place. They will not understand if we cut back on soldiers, the Air Force, the Navy and our orders without Trident being talked about. The matter will have to be debated on the Floor of the House, and it might be defeated—one never knows. At the end of the day, people outside understand the bigger issues and will expect their politicians to work on their behalf.

I finish with a couple of comments. First:

"I hope the defence review isn't simply a budget-cutting exercise, but stems from an objective and careful look at where Britain wants to be on the world stage"—

they are the words of General Sir Mike Jackson. Secondly, it would be

"disastrous if this Coalition government forsook coherent policy and simply put a spending programme in place on the basis of what was affordable, with scant regard for the consequences."—

that was said not by not a supporter of ours but by General Sir Richard Dannatt. I hope that the Prime Minister listens to him this time—he employs him for that reason, after all. It is our job as a country and as politicians to work on this issue. No MP has a greater responsibility than to defend the realm.

Several hon. Members *rose*—

Mr Deputy Speaker (Mr Lindsay Hoyle): I call Dan Byles, a Member wearing a Royal Army Medical Corps tie.

3.22 pm

Dan Byles (North Warwickshire) (Con): Snap, Mr Deputy Speaker.

This has been a fascinating debate so far, and I pay tribute to Members on both sides of the House for interesting and at times well informed contributions. It is extremely important that Members take it upon themselves to learn about and understand defence and the military, especially as so many of them might not have direct experience of them. I have been impressed by many of the contributions that I have heard. I also know that many colleagues still wish to speak, so I shall try to keep my contribution brief.

I am grateful for the timing of this debate, as it comes only a few days after I attended a parade by the Royal Regiment of Fusiliers on Sunday in Nuneaton and Bedworth, a borough that covers part of my constituency. The regiment was being given the freedom of the borough, and it was greeted by thousands of local people who, as ever, showed it warmth and their great pride. I should like to take this opportunity to pay tribute to my local regiment for its sterling work. I know that many young men from the regiment will be going to Afghanistan later this year, many of them for the first time, and I pay tribute to them.

The House will be aware that I was a regular officer before entering Parliament. Indeed, I left the Army to come into this place because I was concerned about the treatment and direction of the armed forces under the previous Government. I find myself in a quandary. I am here to be a champion of the armed forces, and it is clear that the SDSR will be very hard to swallow for many serving and retired soldiers, sailors and airmen, and for many others of us in the wider defence community. I confess that I am concerned—about what I read in the press and what I hear from former colleagues who are still serving. I think that there will be a significant reform of our armed forces and that many sacred cows will be slain.

As a former soldier, I do not want the armed forces to be reduced in size or capability. My instinct is to oppose significant reductions in formations and capabilities, with which I trained, and which I am used to, but—it is an important "but"—that is my heart talking. There is no room, in a subject as vital as the defence of the realm, for a misty-eyed, romantic old soldier like me—and perhaps Colonel Bob—to try to preserve things as he knew and loved them. That approach damaged our

ability to defend ourselves in the past. Historically, our armed forces have been most at risk when they remained resistant to change.

During the first world war, contrary to popular perception, the British Army was highly innovative. We invented the tank and were among the first to develop the use of combat aircraft. After the great war, great British military thinkers, such as J. C. Fuller and Sir Basil Liddell Hart, led the way in developing the concept of mechanised warfare. By 1927, the British Army put together the prototype combined arms formation, called the Experimental Mechanised Force. It was arguably the world's first modern armoured brigade—well ahead of its time.

So what happened? By 1929, the force, despite a successful programme of exercises and tests, was disbanded. The old guard, resistant to change, won the day. Consequently, while Germany was rearming throughout the 1930s, Britain still had four cavalry regiments, equipped with horses, as late as 1939. Germany had learned the lessons of mechanised warfare and prepared for the next war, while, as had happened so often in the past, we were too slow to move on from cherished weapons and tactics. As a result, we lost the first half of the second world war, leading to the humiliating retreat from Dunkirk and the surrender to Germany of the western European mainland for several years. The British military has always had to adapt to a changing world. It must. When it does that too slowly and too reluctantly, more soldiers die.

In my time as a soldier, my first unit was 19 Airmobile Field Ambulance. Just two years into my career, it no longer existed. When I became adjutant, it was of a unit called 3 Close Support Medical Regiment, which did not exist when I trained at Sandhurst only a few years previously. My initial commission was with the light infantry—no regiment now serves under that name.

We have been fighting two difficult and bloody wars for many years. We have done that with overstretched and tired solders and—initially, at least—inadequate equipment, vehicles and support helicopters. Yet throughout that time, we have continued with questionable and poorly managed defence procurement programmes costing billions of pounds. I will not rehearse the litany of disastrous procurement projects. We all know about the Typhoon and its problems, the A400M, which has been mentioned, the future rapid effect system debacle and the Type 45s, which have ended up costing £1 billion apiece.

Our long-term procurement programmes are a shambles and our forces are not balanced in a planned manner, according to a hard-headed assessment of the capabilities that we require. They have evolved as a result of historical equipment programmes and from a strategic defence review that took place more than 10 years ago, before 9/11. It was never properly funded and used defence planning assumptions that we have never met throughout my time in the service.

We have inherited a Ministry of Defence that I make no apologies for describing as not fit for purpose, and a £38 billion black hole in defence spending. Defence is not in good health. The strategic defence and security review is long overdue. Although my heart shudders with trepidation at what may come, my head tells me that change is badly needed to put defence back on a balanced and sustainable footing.

3.28 pm

Mr Angus Brendan MacNeil (Na h-Eileanan an Iar) (SNP): The debate is welcome, although it is a little unsettling against the changing landscape of the SDSR. I hope to make my remarks brief, bearing in mind, as I look across the Chamber, that others, more knowledgeable in defence matters than me, wish to speak. First, I pay tribute to the former hon. Member for Salisbury, Mr Robert Key, who went last year to the Hebrides, where I have some concerns, and made a great speech in the Chamber, backing a constituency issue of mine.

I represent the Hebrides range in Uist and Benbecula, and we feel that we have already been through the tough and robust process of a full review in the past 12 to 24 months. Two years ago, the then Labour Government threatened 125 jobs at the Hebrides range, which would have primarily affected Uist and Benbecula. That closure would have been devastating for those communities which have for decades cut their cloth and forgone other opportunities to serve the needs of the MOD. To put the issue in perspective, the job cuts in Uist and Benbecula at the Hebrides range would have been the equivalent of 25,000 jobs being cut in Edinburgh or Glasgow, or 300,000 jobs being cut in London, with the added difference that finding another job would have meant leaving the Hebrides—a ferry ride of between three to five hours, depending on the route taken. There would have been nowhere else to go.

I do not want to go over past woes, but to highlight present and future opportunities. The Hebrides range is a world-class testing facility, covering an area of 35,000 sq km, with current applications to extend even further. Comparisons are always made with Wales, but the area is larger than Wales and stretches further west from the Hebrides than is the distance to Aberdeen in the east. The size and scope of the area is unique in Europe and it is used by our European allies, our NATO allies and, indeed, our non-NATO allies.

The Hebrides range not only has an unrivalled space and danger area for missile testing, but also expertise and vast experience in organising trials and testing. A bomber at mach 3, a moving target and a missile are all measured and instrumented. Indeed, for a test lasting only 26 minutes, and for the test to be successful and yield useful data, planning has to be undertaken from about four months beforehand. Safety is of the utmost concern and every missile is fitted with a flight termination system in the unlikely event that anything goes wrong. Testing on the range can include air to air, air to sea, surface to surface and surface to air. Rapier tests are also carried out and tests on other missiles that are, I confess, only names to me, but others with great technical knowledge might recognise them—Storm Shadow, Brimstone, BVRAAM, which is a beyond visual range air-to-air missile, high velocity rockets and Type 45 Sea Vipers. The Navy has been on the range for three or four days and carried out very successful and useful testing of live Sea Viper firings. All tests, as I have said, are instrumented and yield vital data.

I mentioned the threat to the range, but this was rejected after a professional campaign by the Hebrides range task force, and included support that I had personally garnered from the then Liberal Democrat defence spokesman who is now the Minister for the Armed Forces, as well as the then Tory shadow Defence Secretary, now the Secretary of State. Their support was very

[Mr Angus Brendan MacNeil]

welcome. They provided useful and sensible quotes backing the full retention of the Hebrides range, which led ultimately to the realisation dawning on the powers that be that the threat to the range was misplaced.

Three reasons were given for the possible downsizing of the range. First, it was claimed that there was a technical risk from the inadequacy of the microwave link between St Kilda and mainland Uist. St Kilda is almost in the middle of the range and is very high. Importantly, as identified by Jane's defence consultants, who were commissioned by the Hebrides range task force, that means that the curvature of the earth is not such a problem in the use of the range, given its size. They also highlighted the lack of dependable communications with the mainland if control of the range was moved elsewhere. Secondly, the concern was that a downgraded Hebrides range would undermine safety planning, thus risking the obtaining of future planning consents, with the possible consequent lack of local good will and support. That is not an insignificant consideration.

The third reason was the financial acceptability of the plan. The cost of the QinetiQ proposal was some £41.5 million, with a £3.9 million saving annually. But the then Minister outlined guidance from the Chief Secretary to the Treasury who told him "clearly and unambiguously" that decisions could not be made based on net present value of the liability because

"it is the current year cash ceiling, not the Present Value of the liability which must be decisive."

Those observations remain valid. Nothing has changed since the Hebrides range passed the most recent review with flying colours, so I can only conclude that it is safe. We look forward to the position of the Minister and the Defence Secretary, in their new roles, chiming with what they said when in opposition and with what the MOD said a year ago. I am confident about that, and I merely highlight the fact that they need to show it fairly soon.

It would be remiss of me not to take this opportunity to point out two further uses for the Hebrides range in years to come. It would be ideal as a decompression camp for those returning from overseas operational theatres, and I am sure that the Ministry will look at that. It would also be a perfect test and application environment for unmanned aircraft systems. The Hebrides range is ideal, it is world class, there is probably nowhere better, and it is on our doorstep.

Finally, the hon. Member for Midlothian (Mr Hamilton) made a comical and misleading quip about the SNP and our defence underspend. The point is that our defence underspend is a proportion of our taxes in Scotland, so the underspend is a consequence of the lack of Scottish independence.

3.36 pm

Richard Drax (South Dorset) (Con): I apologise for not being here at the start of the debate. I wish that I had heard the speech by my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot), the Chairman of the Select Committee, but I was at a ministerial meeting.

Like other hon. Members, I have been impressed and illuminated by what I have heard from Members on both sides of the House. As a former soldier and now an MP, I, like my right hon. Friend, am concerned about the situation we find ourselves in today. Out there, thousands of men and women are defending our nation. Hundreds have been killed, and more than 1,500 have been seriously injured. Who is watching their backs? We all are—this is non-political; we are all watching their backs. Dare I say it, but we inherited a large liability from the Labour party. However, I do not want to get political on this issue—it is too serious.

My perception, and that of others I speak to, is that while our men and women sharpen their bayonets at one end, we too are sharpening ours—but to stab them in the back. That is the perception, and I am not comfortable with that as a former soldier and an MP. However, in my view, and that of many others, our armed forces are already pared to the bone. Underfunded and overstretched, they have seen conflict in recent years in the Balkans, Sierra Leone, Iraq—twice—and now Afghanistan. We have played our part on the world stage and lived up to our responsibilities, and I do not see that changing—and nor should it.

The likely threats of the future will be many and varied. Do we need this world reach, and the equipment and manpower to face them? Or do we put the duvet over our heads and bury our heads in the sand? I do not think so. It is not in our national psyche, as the recent commemorations to those brave few who fought in the air 70 years ago have reminded us in such a timely fashion. I sympathise with the Secretary of State and the Front-Bench team. He said he did not come into politics to see our armed services cut, and neither did I—and neither, I suspect, did many in the House.

Back in 1982, as we fought the Falklands war, expenditure on defence was, as we heard, 5% of GDP, but it is now about half that, and we are considering cutting it further. That, in my view, would be a disastrous mistake, both militarily and politically. We can and must reorganise our armed services—of that I have no doubt—grip our procurement programme, reshape the MOD, and buy off the shelf where expedient, but we must not cut their overall size. To make a sound and sensible decision, we need to have a clear strategy before the bean counters are let loose with their pens—with all due respect to accountants. Only then can we balance the losses to one service with increases to another. The cold war is over—we all know that—but climate change, finite resources, food, water and energy security, the possibility of cyber-attacks, and the rapid advance in technology, to name but a few, demand constant vigilance. To man the ramparts effectively, protect our world interests and fulfil our obligations to NATO, we need ships, planes and personnel.

Mr Kevan Jones: I am listening carefully to what the hon. Gentleman says, and I agree with quite a lot of it. However, I have to tell him that the bean counters are already in charge. We are not talking about a strategic review in defence terms, but something that is being led by the Treasury. If he wants that confirmed, he only has to look at the 43 work streams that are currently under way and see that the Treasury is in the driving seat.

Richard Drax: As I have already hinted, and as I shall now say bluntly, the reason the bean counters are in is partly, dare I say it, because of those who are now on the Opposition Benches.

Dr Andrew Murrison (South West Wiltshire) (Con): Does my hon. Friend not think it a bit rich for those who are now on the Opposition Benches to complain about a strategic defence and security review that is run by the pejoratively named bean counters? Perhaps they might like to cast their minds back to the last strategic defence review in 1998 and say how they think that one was conducted.

Richard Drax: I entirely concur with my hon. Friend.

On nuclear submarines, I entirely concur with my hon. Friend the Member for New Forest East (Dr Lewis), who made a very eloquent speech on the defence of our submarine-based nuclear deterrent. It is essential. We have four boats. To non-service personnel, let me explain that four boats are never in the water at one time; at least two, perhaps, will be out of the water, or will certainly be in the process of being updated or serviced. We need to have four. As I understand it, those submarines are the hardest form of deterrent to detect; and to those who say to me, "Why do we need a nuclear deterrent?" my answer is: "You've just answered your own question." As was so eloquently stated by the hon. Member for Midlothian (Mr Hamilton), it is our first duty to protect our country and her people.

Our long island history has shown how vital the role of the senior service is, as I am constantly reminded by my father, who served for many years in the Royal Navy. Two aircraft carriers are essential, and key to our future defence. It was my hon. Friend the Member for Portsmouth North (Penny Mordaunt) who so eloquently stated the case for the two aircraft carriers. I was serving at the time of the Falklands war, and although I was not sent there—the Coldstream Guards were not sent—many friends were. That war showed the significance of a floating base where there is no friendly land-based alternative. There is no alternative. Of course, high-spec ships are needed to escort an aircraft carrier, but if we are involved in a NATO-led operation, they need not necessarily be ours. I would argue—many Royal Navy officers to whom I have spoken, both serving and former, have said this too—that we need more, cheaper vessels to carry out our maritime duties around the world. With ever-increasing globalisation, more and more of our trade will go by sea.

Alec Shelbrooke: Does my hon. Friend agree that, because of the ongoing conflicts involving the Army and the Royal Air Force, and because of the anniversary of the battle of Britain, the quiet work of the Royal Navy is often overlooked when we have these debates? It is thus important that we mention its vital work.

Richard Drax: I shall say it again: the Royal Navy is the senior service. Without the Royal Navy, we would not be here. It really is as simple as that. I entirely concur with my hon. Friend. I am screaming for the Royal Navy, despite being a former soldier. We are an island nation, and we need the Royal Navy.

In the air, of course, we need aircraft, but we must decide what kind of aircraft and at what price. We need traditional aircraft to take off from airstrips, but we also need aircraft to man our aircraft carriers. That debate will no doubt be carried out by people far more qualified than I am. I do have some experience in the infantry, however, and it is my view and that of many others, serving and retired, that more boots are needed on the ground. It is perhaps an interesting statistic—although statistics can be dangerous—that at the height of the troubles in Northern Ireland, 20,000 troops were in the Province. Let us compare that with the 9,500 who are now in Helmand, a province three times the size of Wales.

Closer to home—I would be negligent if I did not talk about my constituency—we have the deep-water port at Portland. Many Royal Navy officers have asked me why we got rid of that facility. It is, however, still used by the Royal Fleet Auxiliary, and I have just heard today that that contract has been renewed. "Phew!", I say. It has also been identified as a port and base for aircraft carriers and nuclear submarines. Equally important are the headquarters of the Royal Armoured Corps at Bovington and the ranges at Lulworth. These employ 2,000 people, both military and civilian, and 4,500 students go through them every year. Cavalry troopers, many of whom are based in Germany, are now manning armoured platforms. We know that there are now 22 such platforms in theatre in Afghanistan. Many of those platforms are manned by troopers from cavalry regiments, and I am told that the training base at Bovington is an essential facility for getting those troopers qualified to use the equipment now being used in theatre.

I ask the Minister and his colleagues on the Front Bench to spare these vital and resourceful organisations. Cutting the armed services any further would tear into the very fabric of this country. They are a proud part of our heritage, as much so, dare I say it, as this House and the royal family. They have taken centuries to establish, but it would take only a moment to destroy them, and we would not be able to reassemble them if we needed them, as many hon. Members have said. Let us think of the training and the discipline, and the gold standard that our servicemen and women set us all. Their selflessness, courage and hard work go with them into civilian life, so that when they leave the armed forces, they contribute to this country. Many of the soldiers who served with me said that if they had not been in the Army, they would probably have been dependent on the welfare state. We bring them up and we train them, and when they leave, they contribute to the wealth and benefit of this country.

Only a week ago, we debated whether we should be in Afghanistan. The vote was unanimous: we should be. If we are prepared to hand out the guns, we cannot blanch when we reach for the cheque book. Freedom is not bought cheaply, and we must be prepared to fight for it. We must reignite our solidarity with NATO. We must also nurture our relationship with the United States because, like it or not, she is our guardian. I would rather have the United States than Russia or China, thank you. We must also be able to act on our own, should the situation demand that. Of course, we cannot prepare for every single eventuality—I accept that—but cutting our armed services further would be a dereliction of duty, a denial of history and a betrayal of those who have already sacrificed their lives.

3.48 pm

Gemma Doyle (West Dunbartonshire) (Lab/Co-op): I should like to offer my apologies for being unable to stay for the end of the debate; I am afraid that I have been unable to rearrange a long-standing commitment.

[Gemma Doyle]

May I take this opportunity to welcome the principle of conducting the review? Before the general election, there was widespread consensus across the political spectrum on the need to conduct such a review, and the previous Government were committed to doing so immediately after the election. The new coalition Government are now carrying out that review. However, I have some concerns about the process, and about the way in which the review is being conducted. Members will be aware that the previous strategic defence review, published in 1998, was conducted over a period of some 14 months, and that it involved an extremely thorough analysis of the UK's defence needs and capabilities. Indeed, other distinguished hon. Members have covered the issue in more detail, but the key point is extensive consultation and co-operation with the defence industry and other relevant stakeholders was carried out.

The current SDSR is being conducted over a period of just four to five months, and my understanding from discussions with defence industry representatives and trade unions is that they feel that the Government consultation with them has been, at best, limited and, at worst, non-existent. Industry representatives have complained to me that the process was very one-sided. I was told that on some of the rare occasions when they were invited to make submissions, they did so, but no subsequent attempts were made by the Government to engage in any discussions or to give any feedback on the ideas they submitted. As such, it would appear that insufficient time is being given to the review to ensure that its outcome will meet the UK's modern defence needs and that consultation with vital stakeholders in the defence industry has been inadequate.

None the less, it remains the case that a defence review is essential to ensure that our armed forces are equipped to deal with the threat the UK faces and to recognise the role that the UK wants to play in the world. It must be driven by these principles. The shape of our armed forces must be determined by our current commitments, particularly our effort in Afghanistan, but also by the changing nature of the threat we face, including from international terrorism, and the danger posed by failing states.

The review must not be driven by a desire to identify massive cuts to the defence budget. It must also recognise the value and success of the defence industry to the economy of the UK, to Scotland, and, indeed, to my own West Dunbartonshire constituency. The hon. Member for North Wiltshire (Mr Gray) suggested earlier that it was not helpful for Members to make contributions that were too parochial, but I hope he will not be too upset if I put my case on the record, given that the Conservatives have only one MP north of the border and that the current Secretary of State for Scotland has yet to convince Labour Members that he is an effective voice within the Cabinet for Scotland.

According to the most up-to-date figures compiled by the industry organisation ADS—Aerospace, Defence and Security—and Scottish Enterprise, the aerospace, defence and marine industry in Scotland employs almost 40,000 people in almost 850 companies. The total annual turnover of Scottish-based aerospace, defence and marine companies is £5.2 billion. The industry is a high-value manufacturing sector, evidenced by the fact that average salaries within the industry are around one third higher *than the Scottish average. These* are not jobs that we can afford to lose.

My constituency is heavily reliant on the defence and marine industry. Many of my constituents work at the Clyde Naval Base, the home of the UK's strategic nuclear deterrent, and many others work in the shipyards on the Clyde where HMS Queen Elizabeth and HMS Prince of Wales aircraft carriers are being built. Some 7,000 jobs are based at HMNB Clyde, with an additional estimated 4,000 jobs dependent on the base. Given that the Royal Navy's submarine flotilla is set to be based there by 2017—a decision taken under the previous Government—it is likely that the work force will grow substantially.

It was therefore extremely disappointing to read reports that the Scottish Government were not intending to recognise the significance and importance of the Clyde Naval Base in their submission to the SDSR and have only now, after pressure from the Labour party, been forced to back down and recognise the importance of the expertise, manpower and facilities at the base.

A further 6,000 jobs in Scotland are dependent solely on the building of the aircraft carriers on the Clyde. The sustainability of these high-quality jobs is inextricably linked to sustained investment in defence by the Government—not for the sake of it, but to serve the UK's strategic defence interests. In 2007, Parliament voted to renew the UK's nuclear deterrent to safeguard our national security. Also in 2007, the then Defence Secretary confirmed the order of the two aircraft carriers, which were described recently by the current Minister for international security, the hon. Member for Aldershot (Mr Howarth) as a "national asset" fulfilling "a wide range" of requirements for the future of UK defence.

It has therefore been a huge source of concern for many of my constituents that from May this year, there has been growing uncertainty over both the future of the UK's nuclear deterrent and the plans for the two aircraft carriers. Most worrying is the fact that the apparent threat hanging over these projects is for financial rather than strategic defence reasons.

It was, of course, a Conservative party manifesto commitment at this year's election to replace the Trident nuclear weapons system, the Conservatives having backed the previous Government's plans to do so, but since the formation of the coalition Government the position has become much less clear. The concession of a Trident value-for-money study to secure a coalition deal with the Liberal Democrats, and the Treasury's wish for the replacement to be financed by the defence budget, have placed a huge question mark over the future of Trident. The uncertainty over the future of our nuclear deterrent threatens to put at risk the defence of our national security and the major role that the UK plays in the world, which is a fundamental problem. However, it also puts thousands of highly skilled specialist jobs at risk, which is of huge concern to my constituents who are doing those jobs.

I think we all heard what the Minister said earlier about the timetable for Trident, but he must recognise that that does not tally with the comments that we have heard from other Government sources. If he is willing to give a commitment on the Trident timetable, can he not give a similar commitment on the timetable for the aircraft carriers? There is just as much concern about their future. Although contracts have been signed and

work has already been undertaken, the coalition Government have refused to guarantee that the projects will be completed. The Under-Secretary of State for Defence, the hon. Member for Mid Worcestershire (Peter Luff), refused to commit himself to a statement on the aircraft carriers' future in a House of Commons debate in July. More worrying, a senior Ministry of Defence source was quoted in various media in August as saying:

"We could have one, two or no new aircraft carriers... That does not mean we are leaning towards one particular option, but none should be considered as too radical."

Mr David Hamilton: As my hon. Friend may know, £1.2 billion has already been spent on the aircraft carriers. It would be ridiculous not to go ahead with the project.

Gemma Doyle: I agree with my hon. Friend. He has made a very good point.

The uncertainty threatens thousands of jobs in Scotland and across the UK, as well as undermining the vital role that, it has been concluded, the aircraft carriers will play in defending the UK. That point was made very well by the hon. Member for Portsmouth North (Penny Mordaunt).

The SDSR must be about ensuring that our armed forces are equipped for the UK's modern defence requirements. Government and Parliament have already decided that our nuclear deterrent should be renewed, and the two aircraft carriers should be built, to meet those requirements. It would therefore be extraordinary if, as a consequence of decisions following the review, plans to replace Trident or to build the aircraft carriers were delayed, watered down, or cancelled, for financial rather than strategic reasons. The Government must recognise the impact that such a decision would have on the economy and on jobs in the UK, particularly in Scotland and, as I have said, in my constituency. Thousands of high-skilled jobs would potentially be put at risk and, indeed, could disappear.

I urge the Minister to ensure that, following the SDSR, we have certainty about the renewal of our nuclear deterrent and the building of the two aircraft carriers, so that we can protect our strategic defence interests and thousands of jobs. I also urge him to consider whether the process of the review has been adequate, and in particular whether defence stakeholders, including trade unions, have been properly consulted.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Lindsay Hoyle): Order. Before I call the next Member, let me point out that a great many Members wish to speak. If they could shave a little off the time allotted to them, it would help me to ensure that everyone has a chance to contribute.

3.58 pm

Bob Stewart (Beckenham) (Con): Let me begin by associating myself absolutely with the Chairman of the Select Committee, my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot). I thank him for his speech, which was wonderfully delivered.

We do not live in Utopia. It would be great if we did, but life is not like that. We would not need an army, a navy or an air force in Utopia. We would not even need doctors or schools. Everything would be perfect.

Mr MacShane: Would we need politicians?

Bob Stewart: We certainly would not need politicians. Everyone is a little wicked, even Opposition Members. We have a problem in this country. We have a £38 million debt in the defence budget at the moment, and we would need an SDSR regardless of which Government were in power. I am not blaming anyone; I am just giving the facts. We also have a big problem because the SDSR—

Mr Kevan Jones *rose—*

Bob Stewart: If the hon. Gentleman wants me to give way, I will give way.

Mr Kevan Jones: The hon. Gentleman seems to be reading out the script he has been given by his party's central office or his Front-Bench colleagues, and it is unusual for him to swallow what they give him, but I must tell him that the £38 billion to which he refers actually relates to the equipment budget over the next 10 years. *[Interruption.]* Yes, that was admitted: it was in the Gray report. However, it is important to recognise that over that 10-year period there will be slippage and reprogramming. The impression is being given that somehow this £38 billion must be paid for today, but that is not the case.

Bob Stewart: I am very glad to hear that, but we would certainly need an SDSR, and it is taking place very quickly—too quickly, perhaps. It is also happening when we are at war, which is extremely sad. We have a choice: we can either go straight to option one, which is to withdraw to fortress England, Wales, Scotland and Northern Ireland and just to look after our territorial waters, or we can go abroad to protect our interests overseas, whatever they may be. I happen to believe that we must go for the latter option.

Defence is a basket-case; it is really difficult. We have got to get to grips with it now, and it is exceedingly difficult to get to grips with. Mountbatten and Heseltine tried to reorganise the MOD, and there have been incremental and experimental changes ever since. The MOD is extremely difficult to reorganise, however. People always talk about the fact that we have two service personnel for every civil servant, but may I remind the House that many civil servants are people who guard bases and substitute for soldiers, sailors and airmen who would otherwise be called upon to do that job, and we do not have enough of them?

Mr Kevan Jones: And they may be cheaper.

Bob Stewart: Yes, and they may be cheaper.

Procurement is a big problem; it is never easy to procure. In the second world war, within 18 months we managed to design and build Mulberry harbours and then tow them across the channel and put them into position. Like many other Members, I cannot understand why procurement is part of this basket-case—why procurement takes so long and is so expensive—but that is a fact: procurement is a problem.

Everyone wants to have equipment off the shelf. As all ex-soldiers know, we want the best kit we can get, we want it now, and we want it regardless of where it comes from. I remember when I was an infantryman wanting

[Bob Stewart]

the M16 rifle. It was American, it was light and it weighed 6 lb. I wanted it to replace the self-loading rifle. In the jungles it was much easier to use an M16. Instead, however, we got the SA80, which did not seem to work and was heavy. The reason we had to have it was that we had to protect British jobs. I understand that—it is a fact of life—but it is one of the reasons why procurement remains such a problem.

When we have an SDSR, all three services have a problem because of regimental tradition. I pay great tribute to the Royal Air Force—my biggest hero is Guy Gibson of 617 Squadron—and I pay great tribute to the Royal Navy. Many people do not realise that we have a problem in trying to reorganise the armed forces because each of the armed services seems to have elements of the others within it: the Royal Air Force has the RAF Regiment and some kind of maritime capability; the Royal Navy has the Royal Marines and the Fleet Air Arm; and the Army says it has more aircraft than the RAF. It all seems a bit crazy, but it works and I hope we will not change it because tradition matters so much.

I shall now move on to my favourite hobby-horse: care of the wounded. Up until discharge, care is pretty good for our servicemen and women—it is as good as it can be—but I say to hon. Members that after our servicemen and women are discharged they are cast on to the national health service. I plead with Ministers to look at how we look after our wounded servicemen and women after they leave the forces, not necessarily within the defence budget but as part of an overall package.

Mr Kevan Jones *rose*—

Bob Stewart: If the hon. Gentleman wants me to sit, I will sit.

Mr Kevan Jones: The hon. Gentleman may find that what the previous Labour Government and I did on the Army recovery capability is exactly as he describes. I am pleased that the current Government are following through on it.

Bob Stewart: That is great, but let us make it better, because I know servicemen who were victims of the Ballykelly bomb 28 years ago who still live in poverty.

Cuts and reviews are extremely difficult. The reason why we have capabilities in our armed forces is that they are required to be effective in battle. Many hon. Members, on both sides of the House, have served. Throughout our service, we all saw salami- slicing, which means cutting down units. When I joined my infantry battalion, it was 750 strong; when I left, it was 530 strong, but it was still called an infantry battalion. That is salami-slicing. No one likes it, but I have a great fear that we will have to do it again, because if we want to take expeditionary opportunities or respond to such needs, we must keep the capabilities that we have. That means that we will have to stomach what I call super salami-slicing in one way or other—I cannot see how we can avoid it.

Defence is, indeed, the first duty of government, as we all know. It is also a very difficult matter. We all understand the difficulties of choosing between a hospital and a squadron of aircraft, but defence is more like insurance, in that no one wants to pay for it until we require it, when the chips are down.

Mindful that Mr Deputy Speaker will tell me to shut up soon—which I will—I want to end with the words of Rudyard Kipling:

> "For it's Tommy this, an' Tommy that, an' "Chuck him out, the brute!"
>
> But it's "Saviour of 'is country" when the guns begin to shoot;
>
> An' it's Tommy this, an' Tommy that, an' anything you please;
>
> An' Tommy ain't a bloomin' fool - you bet that Tommy sees!"

You bet that Tommy sees what we do.

4.8 pm

Mr Denis MacShane (Rotherham) (Lab): It is a pleasure to follow the hon. Member for Beckenham (Bob Stewart), whose maiden speech I heard. That one was just as eloquent. Rudyard Kipling, of course, lost his son in the first war, and in his later poetry, he was not so strong on militarism. That great poem, of course, was not in any way militaristic.

I want to give one figure to the House this afternoon—2% plus a bit—because the idea that our overall defence budget expressed as a share of gross domestic product, which is a pretty good measure, will fall below 2% makes me nervous. That puts us in the same division as Spain, Italy, Luxembourg and other such countries, and it worries me because we have consistently made an important contribution since the end of the second world war to the notion that the democratic world is prepared to arm itself. It would prefer not to fight, but it can when necessary. As the Romans put it, if we want peace, we should prepare for war, or at least invest for it. If we fall below 2%, we will no longer be able to discharge that responsibility, which is common to the whole democratic world.

I am rather glad that the Defence Secretary is not here today, because I am not sure he would have agreed with the hon. Member for South Dorset (Richard Drax), who said that this should be a non-political debate. The idea of the Defence Secretary, who has to carry his own non-aggression pact with him wherever he goes, being non-political is a touching concept. I hope that all Members of the House will hold him—I am sure that it is also his wish; I ask not to be misunderstood—to not letting our spending fall below 2%.

What we have not heard much of in this debate, after the introduction by the Chair of the Defence Committee, is the word "strategy". What is our strategy? The hon. Member for Na h-Eileanan an Iar (Mr MacNeil), who has left the Chamber, is so keen for his country to leave the United Kingdom, but he is even keener for the English taxpayer to keep ensuring that there is investment in his constituency. That kind of constituency plea bargaining is justified politically, but it does not contribute to what should be the strategic choices that we have to make.

I put it to the House that one such choice is on Afghanistan. The hon. Member for South Dorset said that we are at war, but we are not; we are fighting a conflicted situation. We have declared war on nobody and we have mobilised nobody. We built the Mulberry harbour in a year and a half because deficit spending in world war two went through the roof in a way that is not even imaginable today; today we have not got the money or the will to do that. I suggest gently to the House that we need a clearer message on Afghanistan. No leadership is coming from the United States; there is

talk about being in Afghanistan until 2015 and then it is all over. There was a lot of confusion during the first period of government between what the Secretary of State for Defence was saying and what the Prime Minister was saying, and it is important that the politicians get back the control of all these questions from the generals. I hope that we find a way—it is not unknown in our great and glorious island's history—to say, "Enough is enough. Come home." That is not scuttling; that is sensible survival politics.

Do we have an understanding of the new threats to our country? One hon. Member—I believe it was the hon. Member for North Warwickshire (Dan Byles)—mentioned cyber-attacks and I completely agree on that. But into which part of the defence strategy does dealing with them belong? We have a National Security Council, but is it capable of giving orders to the Ministry of Defence, the Foreign and Commonwealth Office, the Department for International Development and Her Majesty's Treasury? The answer is no, which is why the director of the NSC is getting out as fast as he can to return to the diplomatic service. The creation of the NSC—this is where I disagree with one of the conclusions of this excellent Select Committee report—is not providing the answer to what we need.

Alec Shelbrooke: On the right hon. Gentleman's comments about cyber-attacks, I wonder whether he, like me, was able to catch the excellent Radio 4 programme during the summer recess that discussed the future of the Royal Air Force and how the RAF was best placed to deal with cyber-attacks.

Mr MacShane: I was not, but I am nervous of service patriotism. I understand it, but I wonder whether the RAF should also have military regiments, whether the Army should also have an Army air force and whether there is not some rationalisation that could be applied.

On the question of the nuclear deterrent, I entirely agree with the hon. Member for New Forest East (Dr Lewis) and others. If Britain substantially reduces its nuclear deterrent capability, others may be tempted to step into the breach. We are lucky that in one of the richest regions of the world only two mature democracies —France and Britain—have a nuclear capability. If either of us were to let go or significantly reduce our nuclear deterrent profile, what other major European power might be tempted to feel that it might need one?

Mr Jenkin: Poland.

Mr MacShane: From a sedentary position, the hon. Gentleman makes a crack about Poland. *[Interruption.]* I have a lot of Polish background and I would not suggest that it is very helpful vis-à-vis Russia to talk up any question of Poland's becoming a nuclear power. It is far better that we are one and that the French remain one.

Mr Jenkin: Exactly.

Mr MacShane: I am glad that the hon. Gentleman agrees with me.

We have the new rising powers in the world that do not respect the rules of democracy, whereas at the same time the democratic world is leaderless. President Obama, whom I like and admire—he is in my political family—is not a strategic world leader. There is no European leader who is a strategic world leader. The Chinese know what they want, the Russians know what they want, and Iran and North Korea know what they want. Many of the so-called Islamic republics know what they want. However, do we know what we want?

That is why the debate is important—not just in terms of my constituency interests, or firing ranges in the Western Isles or the absolutely correct need to talk with trade unions and others in the industry, or to help our wounded soldiers when they come back, for which the hon. Member for Beckenham (Bob Stewart) so eloquently appealed. It is about a bigger strategic set of choices. We have to lift our horizons and think about the new threats not just to our country but to the wider set of values of ourselves and our allies. I hope that the Government—I wish them well—can rise to that challenge. If they cannot, the House must make them.

4.16 pm

Mr Julian Brazier (Canterbury) (Con): Let me start by paying tribute to 5th Battalion the Royal Regiment of Scotland, better known as the Argylls, whom we are proud to host in Canterbury—they were given the freedom of the city last year, the first Scottish unit ever to do so—and to 3rd Battalion the Princess of Wales's Royal Regiment, our local Territorial Army battalion. They have both had many deployments to Afghanistan and both have taken casualties.

Before I make some rather controversial remarks, let me say that I am deeply conscious of the fact that I have never participated in active service. I was a witness to quite a serious battle once, but I have never been on active service, unlike a small number of Members of the House. Every time I meet people who have been, and especially when I meet those who have been desperately wounded—people who have lost limbs, who have been blinded and so on—I feel deeply humbled.

Bob Stewart: When people are wounded, it has an impact on morale. As I am in poetic mood, may I just say what Padre Woodbine Willie said in 1918? He put it perfectly:

"There are many kinds of sorrow
In this world of Love and Hate,
But there is no sterner sorrow
Than a soldier's for his mate."

The wounded not being dealt with properly has an impact on morale.

Mr Brazier: I thoroughly agree with my hon. and gallant Friend. Over the years, on a number of occasions—including at Prime Minister's questions—I have raised that issue and been glad to do so. However, my speech today is on quite another subject.

I am emboldened by a pamphlet by two very fine fighting soldiers, General Sir Graeme Lamb and Colonel Richard Williams, both former commanding officers of the regular SAS—it will be published by Policy Exchange and was trailed in *The Times* today—to say that I have a very specific concern that I have never raised in the House before: I do not think that, for some years now, the quality of military advice in the upper echelons of

[Mr Brazier]

the MOD has been anything like as good as that deserved by our gallant, brave and highly professional armed forces.

I was sorry to miss the speech made by my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot) and I must apologise to the House for being late, but I had a pressing constituency engagement with the Secretary of State for Health. However, I know that my right hon. Friend set out wider concerns—he is too polite a person to concentrate on particular areas—about the SDSR. I want to cite a couple of examples from the past for which politicians and the previous Labour Government must take the blame, but in which it seems that military advice must have played quite an important role.

The first is the second Iraq war, which is the largest conflict in the past 15 years. Let us put the intelligence, the dodgy dossier and all the rest of it to one side, although there was a military element in that, and ask how that conflict, in which we started so professionally and so well, could have led to such mistakes in operations, equipment and so on that it ended with a substantial British force sheltering on Basra airbase—I am saying no more than the American media have said again and again—subject to mortar fire, with men being killed and wounded, and unable to locate the mortars that were shooting at them until the US marines arrived to rescue them and effectively to clear the area.

Let me give a second example. There is probably no Labour politician for whom I have more respect than John Reid, who is an exceptional man. When he made that—in retrospect profoundly silly—remark about it being quite possible that we could go into Afghanistan without a single shot being fired, and when we deployed a force without even such basic equipment as adequate amounts of body armour, I cannot believe that he did so without first having conversed with his senior military advisers. I say that only because a number of Members, including my hon. Friends the Members for North Warwickshire (Dan Byles) and for Beckenham (Bob Stewart), have already said that the MOD will need some shaking up. I believe passionately that the defence of the realm is the first priority of a Government. I stepped down as a Parliamentary Private Secretary—I quietly retired rather than resigning—during the "Options for Change" programme. I believe that we have to be a lot cleverer and that we cannot continue as we are now.

Let me address two of the themes from the pamphlet I mentioned. First, we have to move on from the industrial age to the information age, just as we moved from the horse-drawn age to the age of the tank. The pamphlet points out that, in practical terms, although we have lots of drones and other information-gathering systems in Afghanistan, our troops do not have the technology with the bandwidth to make much use of it. We are losing more than twice as many people per thousand in each engagement as the Americans, because although we have some of the information-gathering machines, we do not have the means by which to get the information to where it is needed in a timely fashion. On a more strategic level, the pamphlet makes the strong point that, in extremis and out-and-out war, a force that has the edge over the other side in information terms will ensure that the other side is never able to deliver a single shot. We are already that far behind the Americans in some areas. The really terrifying point is that, by working with little bits of civilian technology from the mobile phone and several other areas, the Taliban have in some areas got inside our information loop.

A second point that the pamphlet makes concerns a subject on which the House has heard from me many times. It discusses the reserve forces and the regular forces and makes the point, absolutely convincingly, that we must keep a full range of capabilities, but it is absolutely impossible for us to do so and at the same time afford to modernise our armed forces given the current costs of manpower. We could achieve it by doing what the Americans and the Israelis have done—by transferring most of the heavy stuff such as armour and heavy artillery not into storage in so-called reserves but into proper, trained volunteer reserve units.

We have just had the anniversary of the battle of Britain. My great-uncle served in that battle merely by driving a desk, but as an under-age enlistment in the first world war, he was one of the founding members of the Royal Flying Corps and served gallantly in the air. I am intensely proud to represent a Kentish constituency in which much of that battle took place. As the pamphlet that was published this morning reminds us, a quarter of those units were volunteer reserve units from the Royal Auxiliary Air Force and a third of the pilots in the regular squadrons were from the RAF Volunteer Reserve and were also volunteer reservists with civilian jobs who trained to fly for the Air Force in their spare time. The pamphlet asks something that we should all be asking about why the continental air defence of the United States is carried out almost entirely by the air national guard, with F-16s manned by people who fly for a living in their civilian jobs—the same applies in Israel—while in Britain we have the absurdity of paying the huge cost of training and retaining regular pilots to fly for just 12.5 hours a month. It must be possible to move some of those pilots across to volunteer units, as the pamphlet suggests.

I want to end by spending a couple of minutes on what makes volunteer reserves tick. If the outcome of the review is that the Government say that we have run out of money and that they intend to put various things on to the reserves, and that means pools of tanks and artillery equipment, aircraft in hangars and lists of people who very occasionally turn out to train, or worse still paper lists like those for the regular reserves of all three forces, the review will have failed and the volunteer reserves will wither and disappear.

We have to think about how we make the offer and the job sufficiently attractive that a high-calibre man or woman with a busy civilian job who is tired at the end of the week will be willing to climb into a car and drive to their training centre, aerodrome or vessel and undergo challenging and interesting training. There are three ways to do that. First, units must be led by volunteer reservists with real civilian jobs, not commanded by full-time people. Secondly, there must be a range of training and opportunities for command on operations that make commanders at the junior and middle-ranking officer level and the senior and junior NCO level feel that they are valued and have a real job to do. The Americans do it. When we sent a squadron of 21 SAS—my old regiment—last year, three out of fewer than 70 were awarded MCs in six months, so it can be done.

Thirdly, we talk about barracks and accommodation, but the volunteer reservists must have decent centres. As Field Marshall Montgomery said, "They must be the best clubs in town." These things cost money, but it is about a fifth of the price of their regular counterparts.

We face a difficult and dangerous world; we face an intensely difficult financial crisis. We must be more imaginative in finding a way forward.

4.27 pm

Mr Bernard Jenkin (Harwich and North Essex) (Con): I commend my hon. Friend the Member for Canterbury (Mr Brazier) for the passion and sincerity that he regularly brings to our debates about defence and his excellent suggestion to reduce costs by depending more on reserves. It is obvious, as I shall say in a moment, that we cut equipment or cut manpower. That is it. If we cut equipment, we reduce future capability; if we cut manpower intelligently—I am afraid that the civil service cuts must come before armed forces cuts, and substantial cuts in the civil service must be made—it can be rebuilt much more quickly. We can maintain reserves of manpower, but we cannot retain reserves of equipment that we have not built. I commend his suggestion to the House.

The right hon. Member for Rotherham (Mr MacShane) mentioned strategy. Let me say first that the Defence Committee has alerted us to the startlingly compressed timetable for the review. We know that there is only one reason for that. It is to fit into the spending round. There is no doubt that we are in danger of having an FDSR instead of an SDSR—a financial defence and security review rather than a strategic defence and security review.

Mr MacShane: On whether we cut expenditure on manpower or equipment, does the hon. Gentleman feel any of my concern that a great deal of DFID money goes to countries with massive military expenditure that represents a disproportionate level of their national income? I wonder whether we should look a little more closely at whether DFID money should go to prop up the military machines in India, Pakistan and some of the African states.

Mr Jenkin: I am grateful to the right hon. Gentleman for his suggestion, but I am not going to be drawn into that. I want to return to his mention of strategy. I am Chairman of the Public Administration Committee, which is conducting an inquiry entitled "Who does UK grand strategy?" We have had evidence from the Foreign Secretary and this morning the Chief of the Defence Staff gave evidence. There is a widespread feeling, expressed by the CDS himself, that we have lost the art of strategic thinking.

An article in the *RUSI Journal* by General Paul Newton and others states:

> "The problem with the UK 'debate' on strategy, and defence matters more generally, is that for many observers there does not seem to be one."

I am afraid that that is the vulnerability of this defence review—that it is being conducted in the absence of a coherent strategy. As the CDS said, we have lost the "habit of strategic thought"—the kind that looks 20 years ahead and asks what sort of country we want to be. The decisions that are made in the SDSR will define what sort of country we are in 10, 15 or 20 years' time. It seems as though we are following Sir Humphrey's adage about producing Government documents: "Always get rid of the difficult bit in the title—it does less harm than in the text." Thus strategy is referred to in the title, and not to be dealt with in the substance of the text.

Yes, deficit reduction is the main effort of Government under the present circumstances; nobody in the defence world resents or disputes that. Indeed, economic security is one of the fundamental qualities of a secure state. However, the SDSR should concentrate on maintaining what I call minimum recoverable capability, so that however far we pare down current capabilities, they are recoverable in the event of an emergency. It is a risky business in this world. In the 1930s, we planned for a three-year warning for going to war, yet three years was hardly enough. As was pointed out in evidence to our Committee, it was the fighters—the Hurricanes and the Spitfires—coming into service at just the critical moment that saved this country from annihilation.

That is the kind of risk analysis that has to be made in this defence review. If the debate is about what capability we are employing and what capability we do not need because we never use it, that misses the point. Defence is about preparing for what we do not expect or anticipate. It is about being ready to use capabilities that we hope never to use, the strategic deterrent being a case in point. The danger of the SDSR is that it is being cost-driven—that it will permanently relegate this country from the first division of global powers, and that we are losing capabilities that once lost will never be recovered. We nearly did that in 1982. Paradoxically, it was the invasion of the Falklands that saved us and completely changed the situation. In fact, it brought back into being the whole concept of expeditionary warfare, which was a very alien concept in cold war terms.

The CDS referred to the financial envelope that the Ministry of Defence has been given. That sends shivers down my spine. The Treasury cannot be allowed to define £500 million spent on defence in terms exactly equivalent to £500 million spent on quangos and bureaucracy. The saving of £500 million on defence will cost far more strategically to this country than that of £500 million on quangos and bureaucracy. That qualitative judgment must be understood.

We have talked about Trident, although perhaps, for the sake of brevity, today is not the time to have that debate. If we delay Trident, we are not only doing something extraordinary that the Treasury has decried and despaired about so often in relation to defence, but putting off a programme that will cost more. If we are trying to get the deficit down over a 20-year period, then adding to costs in five years' time will not reduce the deficit. It is like the pension problem whereby we store up future liabilities instead of facing up to them today. It is better to spend the money today than store up a bigger liability later on. We also run the risk of reopening the debate and creating an atmosphere in which cancellation becomes an option, and eventually an inevitability because of the cost increase.

If we are going to have a deterrent, then it is not about firing those weapons but about being ready and evidently prepared and determined to do so if necessary. It is about resolve, intent and sending signals to the wider world about what sort of country we are and how determined we are to defend our interests and our allies.

[Mr Jenkin]

If we falter on the upgrade of Trident, we will falter on the intention and resolve to defend our country, our wider interests and our allies. That is why we should not go down that road.

The alternative that we face in the defence review is Trident crowding out everything else, because there would be a bulge in expenditure on the procurement budget between 2015 and 2024. We would lose the aircraft carriers, the fast jets, the joint strike fighter, the transport aircrafts or the tanks, and they all have to be included in the mix. The problem is that the relationship between the Treasury and the Ministry of Defence has become dysfunctional. The MOD is evidently the most dysfunctional Department in Whitehall and became so under the previous Government. If I were in the Treasury, I would be exasperated at the constant moving of the goalposts, the additional costs, the cost over-runs and the incompetence that we have seen and that the Gray report exposed.

The Prime Minister will have to intervene in that dispute between the Treasury and the Ministry of Defence, to safeguard vital defence capability, despite the MOD's incompetence, and give it a chance to sort matters out. Otherwise, we will finish up abandoning vital capacity, and non-economic strategic considerations will simply be ignored.

Perhaps the real SDSR will start after the spending review, because this SDSR has such a short time scale. The real strategic thinking—the installation of capacity for strategic thinking throughout Whitehall—has to start after this SDSR, and then we have to rebuild on the foundations that are left after the spending round. But what this spending round must not do is permanently relegate this country to the second division.

Several hon. Members *rose—*

Mr Deputy Speaker (Mr Nigel Evans): Order. We are moving into last-hour territory for Back-Benchers' contributions to this important debate, and a considerable number of Members still wish to contribute. I hope that all Members will show a lot of time discipline now, so that everyone can get in. Many MPs have been here throughout the entire debate, and it would be very good if people were able to make a contribution.

4.37 pm

Simon Reevell (Dewsbury) (Con): There has been much discussion here and in the media about aircraft, aircraft carriers and nuclear submarines, and reference has also been made to the importance of high-technology warfare, run through cyberspace. However, it is worth remembering that, ultimately, any defence review is actually about the young men who will risk their lives fighting through the ranks of whoever is our enemy in order to substitute our flag for theirs. Any review that produces gleaming new carriers but a shortage of body armour, or that makes us powerful in cyberspace but short of troop-moving helicopters, has failed.

In the first Gulf war we watched on the news as the cruise missiles appeared almost to stop at the traffic lights and turn left. Iraqi command and control systems were destroyed from the air, but the Republican guard in the desert were cleared from their trenches by the infantry using bayonets. The Taliban will not surrender because their wi-fi has been brought down. There is of course a valuable role for technology, but it will only ever assist rather than replace boots on the ground.

Our armed forces have had to make do and make do, because events have demonstrated that second-guessing the future is simply impossible. Part of the cold war peace dividend was to be a saving on the costs of heavily armoured vehicles, especially main battle tanks, but a short time later the armoured regiments had to cannibalise every vehicle in Germany in order to form up in the Gulf, with the men from Vickers flying out there to attach better armour protection in theatre. The kit shortages for the second Gulf war and the war in Afghanistan are well known and an absolute disgrace.

The approach of assessing what we want to be able to do, and of equipping and training our armed forces in that context, has a certain logic, but it works only if there is the political will not to intervene in conflicts that fall outside what has been envisaged. That commitment is impossible to give. The problems of huge overstretch caused by fighting simultaneously in Iraq and Afghanistan are an example of politicians ignoring defence planning assumptions and asking the armed forces to sustain the unsustainable. In that case the situation was made worse by a refusal to recognise that and act upon it, but the basic danger of the problem recurring will always be present because circumstances may well not be of our making.

The solution is to build sufficient tolerance in troop numbers into the system. That is not waste; it is the price that has to be paid for the flexibility that may well be the difference between success and failure, and between the lives of our armed forces being saved and lost when the unexpected occurs. We have a duty to ensure that we have a properly trained, fully equipped and fully protected front-line Army. It must have the equipment necessary to move and resupply by air, and we need soldiers in sufficient number to allow rapid and effective deployment and to avoid deploying the same troops repeatedly in relatively short periods.

The smaller the Army, the shorter the gap between deployments and the greater the burden placed on not just our soldiers but their families. The fact that they would never shirk that burden makes it all the more important that we do not impose it upon them. By all means let there be discussion about carriers, aircraft and submarines, but let us not forget those who fight on the ground and our obligation to them.

4.41 pm

Paul Uppal (Wolverhampton South West) (Con): You have asked for brevity, Mr Deputy Speaker, and I will genuinely try to honour that request for the speakers who will follow me.

I wish to speak about an issue that concerns the welfare of the armed forces, and particularly about a constituent of mine whose case was highlighted last week in my local newspaper, the *Express and Star*. More broadly, I feel that the points that the case raises are directly related to our troop deployments in Afghanistan and illustrate the severity of the problems we have to confront there. They are also related to the morale of our soldiers.

Last week, as the Deputy Prime Minister read out the names of our brave soldiers who had fallen over the recess period, my heart sank as the roll call just did not seem to stop. It took an eternity to complete. Beyond that heartbreaking toll of young British lives lost in Afghanistan, an increasing number of men and women are disabled by their injuries. One of those is my constituent Luke Cole, a recipient of the military cross.

Three years ago last week, reservist Private Cole was part of 2nd Battalion, Mercian Regiment, clearing the Taliban from an area in the south of Helmand province. He was in a section of four who had just finished clearing a building when they were trapped by a well-set Taliban ambush. At this point, I think it only fair that I use Luke's own words to describe the situation that he encountered on that day, as the House often hears about those who have fallen but very rarely gets a real picture of the brave commitment taken on by those who fight on our behalf. He said:

"As we walked round from a building onto a patch of open ground, they took us by surprise with really heavy fire—AK47s, RPGs"—

rocket-propelled grenades. He continued:

"You could hear the bullets cracking over your head...you know that scene at the start of Saving Private Ryan? It was just like that.

I was hit instantly in the left leg. My mate, he was injured as well, shot in the head. I crawled over to him and started to give him first aid.

Bullets were flying past my head and hitting the ground around me. Rocket-propelled grenades were exploding but I knew I had a job to do."

Luke refused morphine for his pain as he waited for his colleagues to get him out.

Luke Cole kept dozens of Taliban at bay, but three more bullets thudded into his rifle. Finally, after two hours of intense, non-stop fighting, he was hit again. To quote Luke once more:

"The shot went through the left hip and the bullet exited through my abdomen. I knew it was serious, I could see that my stomach had been torn open. I was on my own for about two hours but my commander was in touch with me through my radio. I told my commander 'I've been hit' and he said 'Yes, we know', and I said, 'No, I've been hit again'. They asked me how I was doing and I said, 'Just get me out'."

The initial blast of Taliban fire had killed two other soldiers. Despite his dreadful injuries, Luke managed to keep firing his damaged weapon, pumping shot after shot at the enemy, keeping them at bay until rescuers hauled him clear.

Private Cole was awarded a military cross, and a further military cross was given posthumously to one of his fellow soldiers who fell on that fateful day. Luke's leg is now damaged and he has suffered a hole in his hip and internal injuries. His injuries mean that he can never go back to his previous job as a forklift engineer, nor can he achieve his hope of becoming a full-time soldier.

It is often said that a society can be judged by the way it treats its elderly and its children. I am pretty sure that we can add soldiers to that list. After all, they put their lives on the line so that we can sleep safely in our beds at night. To cut to the chase, Luke has been advised that he may be retired on a Territorial Army pension rather than that of a regular soldier. He has been treated as a member of the TA, despite the fact that he was shot during a 12-month tour of duty with the regular Army unit that he intended to join full time. I think that most right-minded people would find that hard to fathom, and I ask the Minister to revisit the case.

Mr Kevan Jones: Will the hon. Gentleman give way?

Paul Uppal: I will not because time is pressing. Normally, I would give way, but I have to press on.

I have often heard the Secretary of State talk about the differences that he has noticed in the treatment of armed forces personnel by our American cousins and by us. Luke was awarded the military cross for his bravery, and one can never put a price on that. However, such bravery is worthy of a dignified and respectful acknowledgement of the sacrifice that our soldiers make.

In view of that particularly pertinent personal story, may I recommend to the Secretary of State that he look at the anomaly, so that when all our soldiers are on a tour of duty, they are compensated on a fair and just basis? I trust he will agree that that is the very least we can do for those who have done so much for us.

4.46 pm

John Glen (Salisbury) (Con): At the core of the debate are three interlocking factors. I want to examine them and draw some conclusions from them. First, there has been a massive reduction in the defence budget since the war. It is now clear that, in the past decade, funding for defence has fallen too low. During our recent two foreign wars in Afghanistan and Iraq, the sheer number of urgent operational requirements is evidence of the lack of investment in defence. We do not have the equipment in place for the engagements that we have chosen to pursue. Resources are scrambled at the last minute—at times, that leads to concerns about the adequacy of provision for our armed forces in theatre.

Secondly, we need to recognise that the debate cannot occur in the abstract. As we have just heard, it concerns men and women who are prepared to lay down their lives on our nation's behalf. We must remember the very real needs of the 9,500 men and women who are currently serving in theatre in Afghanistan. Any outcomes of the continuing review must give them the highest priority in investment and spending.

Thirdly, the conclusions of the debate on the SDSR hinge on our assessment of the threats that we may face in future. Some see Afghanistan as the template for future operations, and want our armed forces configured on that basis, whereas other intelligence suggests that additional threats from different sources—such as interstate conflict, threats from failed states and cyber warfare—should be given greater consideration. The tension between those three factors must be resolved to reach the right conclusions on the future shape of our armed forces.

In short, while the Afghan commitment dictates our current priorities, it must not be allowed to dictate Britain's future capabilities and defence posture. There is much discussion about the nature of the future threats. Some failed states show no signs of compromise, and history demonstrates the dangers of cutting defence spending in the belief that interstate war is over.

In future, an attack is as likely to come from disruption to our computer and IT networks as it is from a conventional military force. The debate is about the

[John Glen]

design of our defence capability and the extent to which it should be shaped on current or contingent operations, or on the threats we may be expected to counter in 10 or 15 years. Although we must ensure that our forces are armed properly and can fight and win in any combat operation with which the Government may task them, we must also make sure that we are a leader in countering cyber warfare. We must invest in Britain's intelligence capacity as a priority, both in the armed forces and in other Government agencies. Whatever the challenge may be—terrorist attack, invasion of a dependent territory or NATO article 5 commitment—it will probably come when we least expect it. The capture of the Falklands, 9/11 and the gas shortages a few years ago have all demonstrated that, whatever the nature of the threat, it frequently comes from out of the blue.

Our front-line forces need strength, flexibility and the capability to fight all foes. It is clear that there is an irreducible minimum for each service if they are to remain viable, credible and capable of dealing with the threats that we ask them to counter. Whatever short-term economic pressures exist and however they weigh in this debate, they should not shape the strategy of our defence spending. As a member of the Defence Committee, I endorse the comments made by several Members, especially my right hon. Friend the Member for North East Hampshire (Mr Arbuthnot). I remain concerned that a budgetary straitjacket, imposed by the Treasury, will dictate some of the SDSR outcomes, despite the best efforts of the ministerial team and the Secretary of State.

The UK's decisions on defence need to be made in conjunction with the obligations and alliances that we have in NATO, as well as our commitments to the UN and in the EU. These are foreign policy areas and perhaps outside the scope of this debate, but the hard facts mean that defence comes at a cost—either we pay for it or we reshape the role and expectations of influence that we have.

I wish to offer a few observations about where savings can be made, such as in training. Rightly, the armed forces invest heavily in training, but in many areas that training overlaps among the three services, necessitating many initial training establishments with all the associated duplication of costs. There is scope for areas of joint training between the services, which will further reduce costs. This kind of cut will always generate a rearguard action from the services but we need to be bold. It is not a case of abandoning one service or another, but the question needs to be asked whether distinct establishments are needed when they have significant elements of training in common. However, it must be acknowledged that people, and by that I mean service personnel, are still required in significant numbers—for servicing equipment; for maintaining aircraft; for fire fighting and damage control on board ship; and for dominating an area on land.

These are tough times. The Treasury, as one would expect, has a tight grip on the spending review process—perhaps too tight for some of us—but this should not lead the SDSR to make decisions today that will cost more tomorrow. The capabilities to be deployed at times of critical but undefined threats in the future should not be sacrificed to deal with imminent budgetary threats. Anything we cut for good today will not be easily recovered tomorrow. I hope that the SDSR will make wise decisions that put our serving forces first. I hope that it will take tough decisions based on rational analysis rather than tradition, while acknowledging that if we do not look beyond the spending review to the risks and threats the nation will face in 10 or 15 years—and invest in research into new capabilities—this review will have failed.

4.53 pm

Caroline Dinenage (Gosport) (Con): I declare an interest in this debate as the wife of a serving naval officer. It was in that capacity that I was in the arrivals lounge at RAF Brize Norton on Saturday. Today, we have addressed the technical side of the SDSR, but the human side of it was etched on the faces of the families waiting with me in that arrivals lounge and could be seen in the emotional scenes of reunion as the soldiers, sailors and airmen returned to the arms of their loving families. It was a powerful reminder to me of the responsibility and duty that we have as politicians to not only the men and women of the armed services, but their families back home.

In this time of deficit and defence reviews, it is vital that we in the Chamber are aware of a fundamentally important point. The armed forces are not just a homogenous mass of fighting machine; they are about people—soldiers, sailors, airmen, as well as their wives, children, partners and parents. We ask these people to lay their lives, or those of the people whom they love most in the world, on the line, so these people must be at the heart of any decisions we make about the armed forces. That means giving them enough manpower and the best equipment we can afford to enable them to do their jobs safely and properly, as well as respecting them enough to restore the military covenant and address the quality of life issues that can seriously affect morale.

All the UK armed forces have been operating at a sustained high tempo since the end of the cold war, which has meant that our armed forces have endured a near continuous cycle of deployed operations for well over 20 years. The effect on our servicemen and women is hard to quantify, and what is even more difficult to ascertain is the effect on those left behind. That is why rest and recuperation is such a vital part of the military covenant. It provides a useful period in which service personnel and their families can regroup and prepare for redeployment. It is essential, therefore, that the R and R clock starts when the person actually arrives back in the UK, to allow the maximum time for the unseen wounds of stress to be in some way healed, prior to returning to the front line.

Currently, R and R starts as soon as somebody leaves their front-line base, and in the case of Afghanistan, it can often take up to three days to get back. That has nothing to do with manpower. Operation Herrick manning within infantry battle groups allows for the extra personnel to cover those on R and R. The delays are actually due to the lack of capacity within the strategic air bridge between the operational theatre and the UK. If we are serious about looking after the continuing health of our forces, surely it is fairer that we adopt the American system, in which the leave period begins only when they touch down on US soil.

We also have an obligation to provide our servicemen and women with the equipment they need to do their jobs properly. There is a simple point here: fail to prepare, prepare to fail. It is clear that in years gone by, our armed forces have not been adequately equipped to deal with current and emerging threats. Equipment deficiencies have resulted in billions of pounds being spent under the urgent operational requirements process, and tales of equipment shortages during Operation Telic, in the second gulf war, were well documented and widely reported in the press. However unpalatable the cost of re-equipping our armed forces, it is a necessary process, and failure to invest in defence procurement allows the gap between current and required capability to widen more quickly.

At present, despite ever decreasing resources, we continue to play our full part on the world stage, but a review is needed of how operations are planned and how thinly we spread our resources. The Army currently operates in 80 countries worldwide, and the Royal Navy, the senior service, which has a long and distinguished history firmly rooted in my Gosport constituency, continues to operate all over the world, from anti-piracy missions of Somalia to the fight against drugs in the Caribbean, and of course supporting operations in Afghanistan. As 80% of the world's population lives within 150 miles of the sea, aircraft carriers and the aircraft of the Fleet Air Arm have the ability to influence nations from international waters. That is the strategic effect that this nation has fought to maintain and that other nations, such as India and China, are so desperate to acquire.

Recent history shows how important those carriers are. I am talking about the Falklands conflict back in 1982, lest we forget that we could not have liberated those islands without two aircraft carriers, and had the taskforce lost one of those carriers, both military and political history would have been rewritten. The Falklands war also teaches us the importance of adaptability. If this country is to play a role in the world, we must be ready and able to react to any threat that arises, in any area of the world. In 1982, we had sufficient capacity to deal with the loss of ships we suffered, but today's fleet has been cut to the bare bones and we are spread very thin.

In recent years, we have had a tendency to produce technically advanced warships in smaller and smaller numbers, evidenced by the new Type 45s. To paraphrase Stalin, however, quantity has a quality of its own. It does not take a genius to figure out that no matter how powerful a warship, it cannot be in two places at the same time. If we are to continue to send our brave soldiers, airmen and sailors out to meet our world commitment, it is our duty to do so only if we can ensure that they have sufficient manpower, ships, aircraft and equipment to get the job done and to bring them home safely.

4.59 pm

Sheryll Murray (South East Cornwall) (Con): Like my hon. Friend the Member for Gosport (Caroline Dinenage), I have a special interest in the Royal Navy, because my daughter is a serving Royal Navy officer. I can therefore empathise with the feelings that she and the other naval families experienced at Brize Norton.

HMS Raleigh lies in my constituency. It is the Royal Navy's premier training establishment in the south-west of England and the only naval facility in the UK responsible for the initial training of ratings. Recently—last week, in fact—it was announced that HMS Raleigh was to cut its intake by 50%. I understand that this is because people are not leaving the Navy, which means that there is no room for people to come in. However, my main concern—I hope that the Minister will take note of this—is that we could end up with a future skills gap.

HMS Raleigh has many strings to its bow. The facility can boast of being home to the naval military training school, the Royal Navy's submarine school, the defence maritime logistics school, the Royal Marine band and the national Sea Cadets. The firefighting facilities located at the site regularly play host to fire brigades from throughout the United Kingdom. They develop their skills in conjunction with other Government agencies, such as the Maritime and Coastguard Agency, in order to practice combating incidents of fire, chemical release or industrial accidents on vessels or structures at sea. Other public bodies, such as the police force, also make regular use of the facilities.

Hon. Members will also be pleased to know that the excellence provided by the staff at HMS Raleigh is recognised not just within the confines of the UK. As part of the deals to sell now much-needed Type 22 and 23 frigates to the Romanian and Chilean navies respectively, HMS Raleigh played a significant part in training the foreign crews that serve onboard. It is estimated that nearly 5% of the Romanian navy has passed through the doors of HMS Raleigh, bringing millions of pounds into the UK's coffers in the process. Indeed, it is not just on the high seas that that is the case. The Saudi Arabian air force put nearly 50 students through the 21-week full-time training programme at Raleigh. Local families played host, providing a homely environment and boosting the local economy as well.

HMS Raleigh is a busy base and a relevant base to today's Navy, and long may that continue. The Raleigh of 2010 remains an incredibly busy place. Indeed, the Navy states that because of the sheer volume of courses run at the site—the figure is in the hundreds—at facilities such as those that I mentioned, throughput runs at about 44,000 per annum, a figure far larger than the Royal Navy itself. Building work at the base has been almost continuous over the past decade, costing hundreds of millions of pounds simply to accommodate new recruits and customers in clean, pleasant accommodation. When taking into account the population of Torpoint, the town of about 9,000 residents where HMS Raleigh is situated, it is clear that the base always has, and always will have, a highly significant economic impact on the town and the surrounding area. That is a key point: local pubs, taxi firms, bed and breakfasts, and shops all benefit from HMS Raleigh.

I hope that the Minister will take the message back to the Secretary of State that the people in my constituency are very anxious at this time of great upheaval and uncertainty. They rely heavily on HMS Raleigh for employment. I hope that the Secretary of State will ensure that this tremendous training base remains, because it not only trains superb recruits for the Royal Navy, but provides a great deal of income for the Ministry of Defence.

5.5 pm

Stephen Phillips (Sleaford and North Hykeham) (Con): Notwithstanding the fact that time is pressing, I want to thank the Backbench Business Committee for initiating

[Stephen Phillips]

this debate. I also want to associate myself with the tribute paid by my hon. Friend the Member for North Wiltshire (Mr Gray) to the citizens of Wootton Bassett, who come out, week in, week out, rain or shine, to show just how important our armed forces are to the people of this country.

We have heard a great deal about the Army and, latterly, the Royal Navy. I want to spend a little time focusing on the Royal Air Force, notwithstanding my own very brief service in the Army, which was nowhere near as distinguished as that of my hon. and gallant Friends who have already spoken, or of my hon. Friend the Member for Bournemouth East (Mr Ellwood). I want to talk about the Royal Air Force because it seems appropriate to do so this week, as we celebrate the 70th anniversary of the victory of the few. That seems to make it a fitting topic. I think that the whole House will concur that the few in our generation have become few enough, and I hope that the Minister will recognise that there is little scope for reduction either in their numbers or in the capability that the Royal Air Force delivers.

At its most fundamental level, the first duty of the Royal Air Force is no different from the first duty of the Government—that is, to ensure the security of the United Kingdom. The Royal Air Force demonstrates to potential adversaries our capabilities and our resolve to ensure our essential freedoms. It is necessary, therefore, that we maintain the capability that we already have to deter attack, if the Government are to act freely and with confidence in the nation's interests, without fear of reprisal in the form of air attack from abroad. There is a very real threat, not merely from foreign countries but from those who do not necessarily associate themselves with any country. The recent anniversary of the 9/11 attacks on the United States serves as a necessary reminder of the potential for terrorist action from the air. Quite apart from that, foreign military aircraft continue to attempt to probe the United Kingdom's airspace on a surprisingly regular basis. That is a matter of public knowledge.

If the Government therefore wish properly to discharge their first duty of keeping their citizens safe, they must start from the position that the RAF's current fast jet capabilities are necessary for the protection of our own borders, and not just so that we can go on jaunts overseas. Stereotypically, perhaps, we tend to think of aerial security primarily in terms of the RAF's quick reaction alert fighter force, which is on call 24/7 to defend the sovereignty of the United Kingdom's airspace. That is undoubtedly important, yet homeland security—as our American cousins like to call it—is in fact broader than that. At this moment in our national history, economic security could be equally, if not more, significant than the direct physical threat of attack.

As an island nation, we have to be able to secure our lines of communication, not least so that we can trade our way out of the current economic crisis. Self-evidently, the capabilities of the Royal Air Force play a vital role in protecting our air and maritime trade routes. The chaos caused by the recent volcanic ash cloud showed the impact on national life of significant disruption to air transport, as well as the financial consequences that can result from it. It was a timely reminder to us all of how the use of our airspace can be challenged in unexpected ways, and how there could be other innovative threats to our way of life.

Our way of life is also challenged by the asymmetric threats that we see in Afghanistan and elsewhere in the world, and air power is vital in addressing those threats. Any soldier on the ground will say that the RAF is performing a mission-critical role in Afghanistan—in terms of the air bridge to get our troops there and back and to keep them supplied logistically, as alluded to by my hon. Friend the Member for Gosport (Caroline Dinenage); the heavy lift capability within theatre, so vital for keeping ahead of the enemy and ensuring safety and security in movement; and, of course, the threat that the Royal Air Force can create from the air both in support of ground movement and in order to defend our soldiers when they come under attack. It is simply impossible to conceive that the operations in which we are engaged in Afghanistan could be performed without the support of the Royal Air Force.

It was an American general, Lieutenant-General Karl Eikenberry who, admittedly in the context of a smaller troop deployment in Afghanistan in 2007, observed:

> "Without Air and Space Power, 500,000 to 600,000 troops would be needed in Afghanistan to achieve the same effects as the 40,000 soldiers, sailors and airmen we have there today. Air and Space Power provides the asymmetric advantage over the Taliban such that no matter where they choose to fight, coalition forces can bring to bear overwhelming firepower in a matter of minutes."

I could add a number of other things, but time presses. In due course, we will have the chance to see what comes out of the sausage-machine of the strategic defence and security review.

As a number of Members have observed, we do not ourselves know what lies around the corner. The epistemologist Nicola Taylor refers to this difficulty as the "black swans" and a former US Defence Secretary talked about "unkrown unknowns", and my hon. Friends the Members for Harwich and North Essex (Mr Jenkin) and for Salisbury (John Glen) referred to this issue. What I know is that past conflicts tell us that we simply do not know what the future holds, as indeed the Falklands war demonstrated. Had the defence review of 1981 been implemented, we would not have been able to carry out that deployment. I venture to suggest that we therefore need to be very careful about future capabilities so that the few do not become so few that the Government are no longer able to perform their first duty of defending the citizens of this country.

Mr Deputy Speaker (Mr Nigel Evans): I am grateful to Members for their brevity.

5.11 pm

James Wharton (Stockton South) (Con): Thank you, Mr Deputy Speaker, for the opportunity to speak this afternoon. Like so many Members before me, I would like to extend my thanks to the Backbench Business Committee for its excellent foresight in calling a debate on a topic of such great interest to so many on both sides of the House.

The hon. Member for Midlothian (Mr Hamilton) said earlier that he wanted to encourage new Members to join the armed forces parliamentary scheme. The hon. Gentleman is no longer in his place, but I would like to echo his comments and say how pleased I am to

have signed up and how pleased I am that so many of my new colleagues of all parties have also signed up to this excellent scheme.

Of course, the strategic defence and security review has to be seen in the appropriate context, both financial and strategic. We have to be careful to ensure that it is not driven solely by financial considerations. In this House, we have a duty to ensure that it pays proper heed and attention to the strategic considerations. I would be the first to accept that the strategic situation in which we now find ourselves was not particularly in the control of the previous Government, just as it is not directly in the control of any Government—nobody could have foreseen or predicted the international and global situation that has arisen.

I would argue that the financial circumstances in which the SDSR is being carried out were perhaps more in the control of the previous Government and that the challenges we now face in addressing some of those problems can more accurately be laid at their feet. However, we are where we are. In proceeding to debate and carry out the SDSR, I hope that the Government will never forget, as many colleagues have reminded them, that the primary duty of any Government is to ensure the defence and security of the realm.

In order to get this right, we have to deal with a great many difficult questions. Some are headline grabbers: the aircraft carriers, strategic nuclear defence, the joint strike fighter—the big issues that all the newspapers want to talk about. There are also many other issues, often equally important, that do not always grab the front pages: the quality of service personnel accommodation, how we are to deal with our reserve and cadet forces, the work we need to do to encourage the cadet forces and how best to look after those injured in conflict when fighting overseas for the nation. All these questions must be taken into consideration in the context of the world in which we live today and of the financial constraints that exist so that we can ensure that the SDSR comes up with the result that is in the best interests of this country.

Throughout the decision-making process, the Government have, of course, another obligation—always to try to strive to deliver value for money for the taxpayer in everything they do. We have heard from a number of Members today comments about, and discussion of, various defence procurement programmes that have not run according to plan. I am thinking particularly of the contribution of my hon. Friend the Member for North Wiltshire (Mr Gray), who referred to a number of aircraft schemes, notably the new scheme for the new strategic tanker aircraft.

The tanker aircraft is very much in the news today. The latest report from the Public Accounts Committee is scathingly critical of the programme, pointing out that it will eventually deliver 14 aircraft at a cost of £10.5 billion, that it is currently nearly six years overdue, and that the signing-up process took nine years to complete. Although, as a member of the Committee, I have a slight vested interest, I think that the report was quite right in its criticism. In the context of defence spending assessment and the approval of projects, it is important to stress the need for the Government to drive for value for money in procurement, and to ensure that it is flexible so that our armed forces can adapt to and meet the needs of the changing strategic environment in the future.

With that important issue in mind—along with the importance of managing, in whatever way we can, to secure an effective strategic defence capability within the financial constraints that we all know exist today—I was delighted to hear so many of my hon. Friends fighting for the things which, to me, seem particularly important. I would single out the aircraft carrier proposals and the strategic nuclear deterrent and its replacement. Of course those projects must deliver value for money, costs must be controlled, and they must be delivered on time and fit for purpose; but we must bear in mind that they are vital to giving our military forces the strategic ability to continue to engage in a dynamic way throughout the globe, as they can today.

I am conscious of the time. Let me end by asking the Government to take careful account of the comments that so many Members have made, and to note the priorities of Members in all parts of the House as we have heard them expressed today. We ask the Government to ensure that whatever decisions they make are in the best interests of the military as a whole, and to consider the possible future needs as well as the known unknowns, the unknown unknowns, and the things that we are really just not sure about at all.

5.17 pm

Ben Gummer (Ipswich) (Con): If only the former United States Defence Secretary had possessed the clarity of speech that has just been demonstrated by my hon. Friend the Member for Stockton South (James Wharton), he might have been better understood.

I, too, thank the Backbench Business Committee. Last week's excellent debate on Afghanistan, the ripples of which are, I believe, hitting the shores of Government, showed that it can have an effect. This rather modest reform of our Parliament is clearly for the better, both improving the quality of the voice with which we represent our constituents and demonstrating that we are a revitalised House. That is important in the context of today's debate, because it is surely our democracy that we are discussing. I refer not just to the oft-repeated fact that the first duty of any Government and Parliament is to defend the interests of our democracy, the people who put us here, our political institutions and our allies, but to democracy as a wider entity. It is worth pointing out, even if we were to wish it otherwise, that we are still the second largest contributor to the effort globally, and while our contribution may be considerably less than that of the United States in Afghanistan, it is still more than 10 times that of Germany and France, welcome though their contribution is.

I was going to present a short critique of the actions of the last Government, but owing to your injunctions, Mr Deputy Speaker, I shall cut that out. In any event, I think that, given that only one Labour Back Bencher is present, it would be grossly unfair to vent my spleen on him. The one person whom I would exempt from criticism is sitting on the Opposition Front Bench. It was plain to many people—those of us who were not in the House at the time could observe it on television from an amateur perspective—that the right hon. Member for Coventry North East (Mr Ainsworth) was one of the few people who wrestled with the very difficult circumstances in which he found himself, if I may put it in that way, in the interests of our forces and our servicemen.

[Ben Gummer]

What I will say is that, like much of the promise of the last Labour Government, this promise started out very well indeed. The 1998 strategic defence review and the 2005 defence industrial strategy were both extremely fine documents. They were not only coherent and well thought out, but founded on the firm basis of a sense of foreign policy direction and wider British interests. They were also surprisingly prescient. I wonder whether the right hon. Gentleman is aware of the following phrase in the 1998 strategic defence review. It states that while the review's authors understand that we have to address wider strategic interests, it is also important that there is an understanding that

"smaller but frequent, often simultaneous and sometimes prolonged operations can be more difficult than preparing for a single worst-case conflict."

If the foresight of Lord Robertson at that time had been fulfilled by the right hon. Member for Kirkcaldy and Cowdenbeath (Mr Brown), we might be having a different discussion here today. I believe that future historians, whom the right hon. Gentleman often prays in aid when he is assailed by the judgments of the current generation, will surely judge his failure to articulate a sensible and clear policy on Iraq and Afghanistan—and his predecessor's, too—and his complete failure to fund appropriately our forces in theatre to be a case of terrible neglect.

The right hon. Gentleman and his predecessor did precious little to advance the cause of, and case for, peace in the middle east, despite all the assurances we were given at the inception of the Iraq war. Effectively, that failure charges a levy on our intelligence, security and defence budgets for every single year that we fail to find a solution. That is the framework within which the current SDSR must be undertaken.

A cautionary tale must also be heeded. It is to be hoped that any differences that might exist between the Treasury and the MOD—I am sure there is complete amity between them!—are settled, and settled for the next 10 years, as is my right hon. Friend the Secretary of State's intention. The division between those two Departments has been alluded to frequently in the debate, and it causes a structural problem in our defence capability that has manifested itself very clearly in previous years.

I am also pleased that in the formulation of the context of this SDSR there seem to be signs that the Gordian knot that lies at the heart of any defence review is being grasped, in that while my right hon. Friend the Secretary of State states what I hope is the obvious point that we should keep our options open for a future in which we expect our highest priorities to change over time, there is also a recognition that the UK cannot ensure against every imaginable risk and that therefore the Government must decide which risks they are prepared to take. These two statements go to the nub of what we must address in the SDSR. It offers a good and appropriate opportunity to think very clearly about what threats we will face in the distant future, rather than just next year, the year after that and in five years' time, which are much more apparent. I hope it is not too provocative a statement to say that we need to take far greater risks with short-term threats that are unlikely to materialise in order to protect ourselves against longer term risks of which we are far less sure.

Let me quickly mention a few key issues that I do not think have been mentioned so far: the competition for water resources; the continued reliance, at least over the next 40 or 50 years, on liquid hydrocarbons; and the shift in global economic power to China and India. All of those issues suggest that we need to be looking to have a stronger maritime force, which requires investment decisions now, not in five, 10 or 15 years' time.

Let me also briefly address the question of how we pay for that. It seems ludicrous that we are preserving a deep strike force against an enemy that is unlikely to exist in the very near future—for instance, battle tanks that within their lifetime are unlikely to face an enemy that will come over the European plain. I also echo the points about reservists; their greater use seems to be an obvious way to bring down costs and maintain capability.

I also hope the Secretary of State will take on board very clearly the message about Afghanistan that came out of the previous Backbench Business Committee debate. In respect of that country, comments have been made about the 13th century. With the passing knowledge of mediaeval history that I have—and I know one other Member in the Chamber also has—I can say that I think many people in the 13th century would have taken some offence had they heard that comment.

The fact is that we cannot generate five centuries or fifteen centuries of development in civil society in five years. We must think very carefully about why we are in Afghanistan. Once that question is answered, the savings might be put towards the serious threats that we will face not in five years' time, but in 20 years' time.

5.25 pm

Priti Patel (Witham) (Con): I pay tribute to the brave men and women of our armed forces. We have heard a lot about them in the debate, but I fundamentally believe, as many of my constituents do, that as a nation, we have a duty to give our armed forces our full support in return for the selfless service and sacrifice that they are prepared to give in our name.

As we discuss the review against this financial backdrop, which we have heard a great deal about, my thoughts and those of my constituents are with the troops and families of 16 Air Assault Brigade. Based up the road from Witham at the Colchester garrison, they will once again return to Afghanistan in the autumn. They have suffered losses on previous tours, and we pray for their safe return.

Troops based at the garrison and their respective regiments, such as 2nd Battalion the Parachute Regiment, have been involved in many major conflicts, including both world wars, and the Crimean, Napoleonic and Falklands wars. They have played an instrumental role in safeguarding British sovereignty, protecting British interests and threats from other European nations and foreign powers. Long may that continue.

As a country, we owe a tremendous debt to our troops for what they have done and what they continue to do in the name of our country. We should never, ever shy away from celebrating our armed forces, even during the difficult financial situation that we currently face and this review. That is why I am heartened by the campaign that is being run locally in my constituency by the *Daily Gazette* newspaper to encourage local

businesses and attractions to give discounts, and special offers and deals, to members of our armed forces during their valued rest periods.

As we have heard again today, there are many significant concerns with the defence review and the future nuclear deterrent. I fundamentally would like to think that the support that my constituents and the broader British public give to our armed forces will be further reflected in Government policy following the review. I very much urge Ministers to focus on the things that we have heard about, but they should not forget our duty of care and responsibility to our injured servicemen and women, given the great sacrifices that they make for our country.

I hope that the review will very much right the wrongs of the damaging period when we saw our armed forces overstretched, under-resourced and sent into theatre with overused or out-of-date equipment. As we know, for a great period, our armed forces suffered greatly. At the same time, it was a period of great and deep shame.

Progress has since been made, particularly with the doubling of the operational allowance. We have heard today about the military covenant, but time is short, so I conclude by saying that I hope the covenant is restored in full as soon as possible, so that 16 Air Assault Brigade and their families, and my constituents who care so much about our armed forces and the defence of our great nation, can fully restore their trust in Government to support those who sacrifice so much for our country.

5.28 pm

Dr Sarah Wollaston (Totnes) (Con): We have heard this afternoon from both a wife and a mother, so I am happy to complete the set as the daughter of an Air Force officer. I grew up for most of my childhood on Air Force bases, so I fully understand the value of our armed forces.

Last month, I visited the cold war nuclear bunker at Bolt Head in my constituency. I hope that it can be saved from dereliction and opened as a museum, because it is a chilling reminder of how close we came to Armageddon. That did not happen largely because both sides understood the rules of the game, but does anybody seriously believe that stateless terrorist groups or rogue regimes understand those rules or even care about the consequences?

Many of my constituents cannot understand why our strategic nuclear weapon is being left out of the strategic defence and security review, because the uncontrolled proliferation of nuclear weapons is one of the greatest threats to our existence. That voice has not been heard this afternoon. I hope that hon. Members will bear with me, because it needs to be heard.

At the heart of the 1968 non-proliferation treaty was a commitment to the goal of disarmament by recognised nuclear weapons states; it was the cornerstone of the pledge to the nuclear have-nots in order to stop them seeking to acquire their own weapons. Dissatisfaction among states without nuclear weapons at the lack of progress in achieving the aims of article VI is widespread. Let me remind the House that at the sixth non-proliferation treaty review conference in 2000 we signed up to

"an unequivocal undertaking by the nuclear-weapon States to accomplish the total elimination of their nuclear arsenals leading to nuclear disarmament to which all States parties are committed".

In renewing Trident, we break that pledge and remove our moral credibility. How can we begin to persuade nations such as Iran to step back from the nuclear cliff edge unless we are at least prepared to step back from the precipice ourselves? I am not advocating a unilateral approach, but if this obsolete, expensive and unthinkable weapon has any value at all, surely it is as the means to bring others to the negotiating table. I am rather tired of being told, "It cannot be done" and that to advocate nuclear disarmament is to be incapable of understanding the complexity of the issue. Nor do I accept the argument that these weapons cannot be un-invented; we cannot un-invent biological weapons, but nobody is suggesting that we take that route to mutually assured destruction.

My concern is that as time distances us from the destruction of Hiroshima and Nagasaki, the horrific consequences of nuclear war become clouded and remote, and that we lose our sense of outrage. In the event of such an outrage—even with a dirty bomb—would we seriously consider nuclear retaliation? Against whom would we retaliate? I am not alone in believing that among the greatest threats facing us is uncontrolled nuclear proliferation and the risk of these weapons then falling into the hands of those who would not hesitate to use them. I have received a great deal of correspondence, as I am sure many hon. Members have, from constituents opposed to the renewal of Trident.

I would ask the Secretary of State to address those real and present dangers, as well as the unknown future threats, by delaying Trident in order to persuade others to join us at the negotiating table. Specifically, I would ask whether any efforts have been made to do that; has any contact been made with those countries that lie outside the non-proliferation treaty—Israel, India and Pakistan? Even more importantly, has Trident been offered up as a means of persuading Iran away from its goal of acquiring a nuclear weapon? Surely that would be preferable to waiting for an Israeli strike against Iranian installations.

I ask Members to consider how secure Pakistan's nuclear arsenal is from falling into the hands of extremists. An area the size of Italy is underwater in Pakistan and it will rightly be the greatest recipient of UK overseas aid. Surely Pakistan cannot afford to waste precious resources on maintaining a nuclear deterrent—come to that, nor can we. I would rather have an effective Army, Navy and—I have an interest here—Air Force than spend at least £20 billion of their resources on a weapon that we can never use and that no longer acts as a deterrent. I call on the Secretary of State to delay his decision on Trident, not because I am an idealist, but because I am a realist. I call on him to protect our conventional armed forces and, specifically, to recognise that in my constituency, Britannia naval college is far more important.

I shall conclude by reminding the House that Alfred Nobel, of peace prize fame, was famously convinced that his invention of dynamite would make war too destructive to contemplate. We would be wrong to make the same mistake with Trident.

5.34 pm

Alec Shelbrooke (Elmet and Rothwell) (Con): In the moments remaining, I shall try to be brief. I am pleased to be speaking towards the end of today's debate—there

[Alec Shelbrooke]

have been some excellent speeches by Members of all parties and a great deal has been brought to the attention of the Minister, which I hope he will feed back to Government circles when they are considering the SDSR.

I put my name forward to speak in today's debate because I wanted to wave the flag for the Royal Navy. With our Army and armed forces in conflict, they are at the top of our concerns in defence debates—and rightly so. In today's speeches, when hon. Members spoke about defence, it all came back to the Army. The Air Force is also prevalent in our minds with the 70th anniversary of the battle of Britain and because of the lives that have been lost in the field of conflict by the RAF in the past decade. It is important that we recognise the work of the Royal Navy, which does not always take place in the field of conflict—as is the case with many of the other services, I hasten to add.

Drawing on the point made by my hon. Friend the Member for Gosport (Caroline Dinenage) at the end of her speech, it is worth reminding the House that the Royal Navy's role is extensive: it delivers humanitarian and disaster relief, as we recently saw in Haiti; it evacuates British nationals overseas, and I am not talking about the ash cloud but about what happened in Lebanon in 2006; it carries out counter-terrorism, with Operation Active Endeavour active in the Mediterranean; it carries out counter-piracy, which I shall mention, with the operations in the Gulf of Aden and the horn of Africa; it protects fisheries in UK territorial waters; it protects international shipping lanes, which I shall also mention; it counters drugs trafficking in the Caribbean; and, as shown in the excellent speech made by my hon. Friend the Member for Harwich and North Essex (Mr Jenkin) and by my hon. Friend the Member for Portsmouth North (Penny Mordaunt), it plays a role in defence diplomacy, including the joint exercises with international partners.

The Royal Navy is and remains the principal guardian of the silent principles of national security. That point is enforced by the words of the First Sea Lord, Admiral Sir Mark Stanhope, who said in July that

"maritime capabilities are not a luxury—they are a necessity. Our ability to control what happens at sea and from the sea is fundamental to our national security and prosperity…our maritime forces are delivering today and they will have a vital role".

Let me quote the Chamber of Shipping:

"Shipping is at the forefront of the UK's economic growth".

It goes on:

"92% of our international trade and 24% of our internal trade is moved by sea…The UK-flag fleet has grown by 530% since 2000…The maritime services sector (shipping, ports and maritime business) contributes £25 billion to the UK's GDP and supports half a million jobs."

We know that we face great piracy in our seas. There are still ongoing cases of civilians who are being held ransom. We know that some of our seaports and choke points are very dangerous. As the former First Sea Lord Jonathon Bond said:

"Maritime piracy is increasing, 95% of global trade passes through nine maritime choke points and there are still some 14 British overseas territories or crown dependencies and 5.5 million Britons living overseas."

When we take the debate forward, we must ensure that we do not merely look at the field of conflict and at what potential conflicts could come from that, although that is vital to the defence of this country. However, let us not forget that this is also a security review and that the security of our country depends on the fact that we are, whether we like it or not, an island nation and one that depends on the merchant navy to keep it safe, secure and prosperous. Without a Royal Navy that can go out and enforce the conditions so that people can sail safely, we would be at a lower point than we are.

I was going to talk about the aircraft carriers, but I see that I am unfortunately running out of time. I shall save that for another debate. However, if we have the aircraft carrier capability and the Trident capability, we will ensure that we have a diplomatic tool. As the Secretary of State said in the House on 21 June:

"We know from historical experience that a declaration of peaceful intent is not sufficient to dissuade aggressors and that a weakening of national defences can encourage them."—[*Official Report*, 21 June 2010; Vol. 512, c. 55.]

My hon. Friend the Member for Totnes (Dr Wollaston) made an impassioned and excellent speech. In response to her comment about people who would not hesitate to use nuclear weapons and about our leading the way, I say that those people might hesitate to use them if we had a way of counteracting which would threaten their security.

Mr Deputy Speaker (Mr Nigel Evans): I am grateful for Members' brevity; we got everyone in. We can now start the wind-ups.

5.40 pm

Mr Bob Ainsworth (Coventry North East) (Lab): We have had an excellent debate. There has been the usual mixture of party political fencing, good defence analysis and knowledge, and discussion of constituency and single-service interests. These debates follow a particular pattern but are none the less enormously useful.

My hon. Friend the Member for North Durham (Mr Jones), who was the Minister for Veterans, has asked me to make a point about the comments regarding Luke Cole. We make this point constructively, but the ministerial team needs to stay on top of such issues and to be sceptical about what they are told if they are to make sure that the agreements that have been reached and the care that is, in theory, provided to people is actually provided through the chain of command. I appeal to Ministers to be as diligent as my hon. Friend and his predecessor about the welfare side of the veterans job.

We are about to go into the conference recess. I do not intend to put forward my name for the Labour shadow Cabinet, so this might—one never knows what will happen—be the last time that I speak from the Front Bench in this place. I was the Minister for the Armed Forces for two years, the Secretary of State for 11 months and I have been the shadow Secretary of State for about four months. My involvement with the MOD and the military has been life-changing and, on the whole, enormously rewarding. It has had its low points and many high points and I have worked with some amazing and fabulous people, including military personnel, civil servants, politicians and special advisers. Some great people work in this area of policy.

Let me mention one or two of the things that I have been involved with. I was totally in favour of commissioning the Gray report; I supported my predecessor in that and

I never tried to suppress or delay the report in any way. I was totally in favour of my predecessor-but-one's commissioning of the Haddon-Cave report, which was a devastating report on the systems that we had in the MOD, and I never tried to put any spin or gloss on that. It was enormously important that the MOD learned, or had the opportunity to learn, all the lessons that it needed to.

I was in charge of commissioning the service personnel Command Paper, and I had a lot of support from many good people in making sure that that was a useful document that actually delivered something for our service community—against much resistance, I have to say. I commissioned a Green Paper to try to help whoever was to be in government—us or the Conservatives—to prepare for the very difficult strategic defence review after the election. I did that in an open, broad and cross-party way, not for tactical reasons but because it was the right thing to do. I think that helped in some small way with some of the difficulties that people now have.

In my time as the Secretary of State for Defence, I never widened the gap in the defence budget; indeed, I closed it a little. The opportunities to close it outside a strategic defence review were limited, but we closed it none the less and we took some very difficult decisions in order to do so. What I am most proud of is that we moved force density in Task Force Helmand a long way in the right direction. Helmand is the most difficult job our armed forces face today. They need not only equipment, helicopters and vehicles but boots on the ground and enough of them to cover the ground. We moved force density in the right direction, and I am enormously proud of that.

Mr Arbuthnot: Will the right hon. Gentleman please accept that I confirm what he has just said in every respect? In his service to the House, the country and the defence of this country he gained and earned our admiration and respect, and we thank him for it.

Mr Ainsworth: That is very kind of the right hon. Gentleman. A number of people have said kind things.

The defence of this country faces some difficult choices. It is not my responsibility or that of my hon. Friends to help the Government in that regard; it is our responsibility to hold the Government to account. There are no easy options. Salami slicing is not going to work. It is the Government's responsibility, and it is in their own interests, that they do not walk away from those difficulties because, if they do, all that I would say to them on a personal level is that avoiding hard choices is a bit of a matter of character, but organisationally it can be habit-forming. And if they form that habit, they will pay a heavy price.

5.46 pm

Nick Harvey: With the leave of the House, Mr Deputy Speaker, I will reply. This has been a good debate. When the Backbench Business Committee decided on this subject for today's debate, it would have been pleased to think we would get 30 speeches from the Floor of the House of such wide-ranging nature and all of a positive and constructive tone. As I said at the beginning, the SDSR has not yet made any of the big decisions, but it is just about to do so. This could not, therefore, have been a more timely moment for everyone who wished to put the points that they have made today to do so. I reaffirm our commitment to take away all the points made and give them the most serious consideration.

As ever in the House when we are discussing the armed forces, the debate has been informed by the personal experience, background and understanding of many Members. What has been most evident across the political divide is the respect shared by all Members of the House for the commitment and dedication of the brave men and women who serve in our armed forces. They are a credit to the country, and we are rightly proud of them.

As I anticipated, hon. Members from all parts of the country have rightly made the case for their local area, as is their responsibility. We have heard from places as far apart as the Outer Hebrides and Cornwall, and most points in between. Hon. Members with naval bases or a military or industrial footprint in their constituency all made points about the impact that any decision might have in their area. It is proper that they do so, but I hope they understand that it is not possible at this point in the process for me to respond or offer comfort on each and every point.

Angus Robertson: Will the Minister give way?

Nick Harvey: I will, but in the short time I have available, I do not want to make this a precedent.

Angus Robertson: This is very much in response to where the Minister is in his comments. Given that he has paid so much close attention to hon. Members who have spoken for the interests of their parts of the country, is he surprised that, given the importance of aircraft carriers, not one Labour Member from Glasgow or Fife has bothered to turn up or speak in the debate?

Nick Harvey: I suppose I am mildly surprised not even to have seen the usual suspects. In fairness, we have heard from them before very many times on these matters, so I think we can rest assured that their perspective is understood. The right hon. Member for Coventry North East (Mr Ainsworth) said, quoting me from before the election, that all parts of the political community interested in defence would need to get together to make our views clear to the Treasury—"kick up rough" was his expression.

Mr Ainsworth: It was yours.

Nick Harvey: It was my expression, which the right hon. Gentleman kindly elevated to make his point.

I say to all Members present that it is not at all unhelpful to Defence Ministers that we will be able to illustrate to the rest of Government the strength of feeling that has been expressed in this debate. I am grateful to all those who came to take part and put their point of view.

We are wrestling with very difficult issues. The financial background is that which I described earlier; I do not intend to repeat all that now. However, even if we were conducting a defence review at this time and there were no financial difficulties at all, we would still be making big and significant changes, and we cannot do that without some pain and collateral damage. It is not possible that everybody speaking from every part of the

[Nick Harvey]

country and every part of the defence community will get what they want at the end of this process. We must acknowledge that and realise that if we are to reconfigure our forces to equip them for the challenges that we believe, in our best estimate, they are likely to face in the 21st century, then there will be change. Some capabilities will be less relevant in future than they have been in the past, and we will have to identify the new areas that will require additional investment to equip the forces in the way that we want them to be equipped.

Not all these decisions are self-evident. It is more than a decade—12 years—since the last formal review, and the world has changed immensely in that time. Furthermore, we have learned a lot from the operations that we have been involved in during that time. I very much agree with the right hon. Member for Coventry North East that the force density taking effect in Afghanistan now is having much more impact than we had on our initial entry into Helmand. The military have learned from these experiences, as have the Department and the NATO coalition. When we consider how we prepare force structures for the future, we have to learn those lessons. We cannot be exempt from the overall overhaul that we can see taking place across Whitehall. However, retaining effective defence will certainly be our priority, and we will not allow that to be undermined by the financial predicament in which we find ourselves.

Comments have been made about the speed of the review. As I said earlier, I have a great deal of sympathy with what the Defence Committee said in its report. It would not be from choice that anybody would conduct a review at this speed. I pay tribute to the previous Administration for the work they did last winter. The Green Paper process, with its cross-party nature and the involvement of an advisory panel that brought in a variety of interests, paved the ground for the work studies that took place prior to this stage of the review, which have in effect laid the agenda on the table and enabled the National Security Council to get to the point where it can decide the priorities and make the decisions.

Let me turn to some of today's contributions. I should like to respond to the point made by my hon. Friend the Member for Wolverhampton South West (Paul Uppal), which was picked up by Opposition Front Benchers. I take the point. The right hon. Member for Coventry North East—in a very level and, in no sense disloyal, way—encouraged new Ministers to question quite vigorously the information that we receive from officials and the military, and the point is taken. I will personally ensure that we do go away and have another look at that case.

Similarly, my hon. Friend the Member for Gosport (Caroline Dinenage) raised the issue of rest and relaxation and the fact that it ought to begin from the moment people get back home. I entirely agree that that is the most desirable way of doing it, and if in particular circumstances it proves, for operational reasons, not to be possible, we have guaranteed that we will add it on at the end, when people get back. That is a sub-optimal solution, but it may on occasions be necessary, for operational reasons, to handle it that way, and we will ensure at any rate that people do not lose out. My hon. Friend made a good point.

I re-emphasise that we are still listening to representations from a wide variety of interests and will continue to do so until the end of next week. If any hon. Members, even after having had the opportunity in the House this afternoon, have further points that they or anybody with whom they are in touch wish to make, the end of next week is the deadline for doing so. We have, as I said earlier, had almost 7,000 representations, so although the process has been brisk, the opportunity for a diverse range of interests to feed in their thinking has been there, and many have taken it up. We will do our absolute utmost to process all that and arrive at the best possible conclusion, if we can, in the light of it.

I think it was with some sadness that the House heard the right hon. Gentleman say from the Dispatch Box that this was probably his last contribution in his current capacity.

Mr Ainsworth: Maybe.

Nick Harvey: Maybe, he says. I should like to echo the words of the Defence Committee Chairman and others in paying tribute to the right hon. Gentleman for his work throughout his time in defence. He is very, very highly regarded inside the Ministry of Defence. He is remembered not only with affection, but with a great deal of respect, as somebody who was able to see the wood for the trees, take a decision quickly and get it right. He has earned a big reputation in that area, and it will go with him.

The right hon. Gentleman's plea in mitigation that the gap between the programme and the budget—upon which I charged his party earlier—had shrunk during his tenure is possibly, just about, true, and to the extent that it is I commend him for it, but he served only to make the point that the mismatch between the programme and the budget had existed for a long time. Indeed, in all truth it dates right back to the strategic defence review of 1998, which set out boldly on quite a sensible and well regarded path, but it was underfunded from the first year and the gap continued to grow thereafter.

However, we wish the right hon. Gentleman well and thank him for the contribution that he made He will be remembered by both the armed forces and the Ministry with a great deal of respect and admiration.

We will publish the SDSR later in the autumn, and I am encouraged by the fact that there is a degree of cross-party agreement on what we are trying to achieve. I hope that that will be sustained when it comes to understanding some of the tough decisions that we will inevitably have to make. The public and the armed forces will understand when we in this House seek to represent the interests of our constituents; what they will not understand or appreciate is if politics infects the response to the SDSR. We have to make incredibly important decisions and keep in mind at all times the shape and configuration of the forces that we think we will need in 10 years' time, at the end of the period that the SDSR is considering; but we have to get ourselves from where we are today, in our financial situation today, to where we want to be then, and at the same time sustain in Afghanistan the operation that we are undertaking there. It is gaining momentum and genuinely advancing towards the objectives that we have set.

Nothing will be done to undermine the work of our forces on the front line, but those difficult decisions will, nevertheless, have to be made, and I am sure that we will

return to them in this House in due course, when the decisions have been taken and the situation is understood for all to debate.

Question put and agreed to.

Resolved,

That this House has considered the matter of the Strategic Defence and Security Review and future of the UK's armed forces.

Mr Deputy Speaker (Mr Nigel Evans): I wish Members from all parts of the House a happy, fruitful and interesting conference recess.

Youth Violence (London)

Motion made, and Question proposed, That this House do now adjourn.—*(Angela Watkinson.)*

6 pm

Mr Chuka Umunna (Streatham) (Lab): I thank Mr Speaker for choosing this subject for this evening's Adjournment debate. As is the custom, I should declare an interest: I have sat on the boards of various youth groups in my community and still sit on the board of the Generation Next Foundation, a group that works with young people in my community. I know that several hon. Members wish to intervene, and I will give way after I have made some progress, but possibly only to those who have forewarned me given the short time that we have.

I wish to start by saying a word about London's youth. I think our youth are fantastic. They are full of energy and life, vibrant and hugely talented, and they are absolutely part of what makes this city great. I am glad that we have four great young people in the Gallery with us today from Lambeth's youth council, including our youth mayor. I do not want this debate to detract from those comments, as the worst thing that we can do is demonise our young people. We should not forget that 99% of London's youth are not involved in serious youth violence, and in that regard I commend the work of 99percent.org.uk on its campaign to promote positive perceptions of our young people.

However, we have a problem in London and have had for years. We know it, and our young people certainly know it, because too many of them are living with the fear that it will affect them right now. The year 2007 was a watershed, when the problem of youth violence became a big national issue. That year, 25 young people lost their lives in London, one of whom was Andre Smartt-Ford, a 17-year-old who was shot dead in broad daylight at Streatham ice rink in my constituency. We have still to bring those responsible to justice.

In 2010 the problem may not be so severe, but it continues. In my view, one young life lost to violence on our streets is one too many. Some 1,230 teenagers in London have been victims of knife crime this year, and there have been 145 teenage gun crime victims. Those are the numbers sustaining non-fatal injuries, but in the calendar year to date 15 teenagers have been murdered in London. One of them was my constituent Zac Olumegbon, whose killing I raised in the House with the Prime Minister on 7 July. In my area, tensions between gangs operating in the community have been high since Zac's death and the situation has been precarious, with several non-fatal stabbings and shootings having taken place. In fact, only last Friday in the Tulse Hill part of my constituency, one teenager was shot in the face by a gunman on a bike while trying to get on a bus.

Such things are increasingly turning into a regular occurrence in my constituency and across London. Yes, many of the teenagers affected are involved in gangs, but just because much of what happens is gang-related does not mean that we can wash our hands of it. It is our problem. These are our young people, and this violence is a scar on our community, whatever our background and circumstances.

The causes of the violence are complex and varied, as I think we all know. I am convinced of four things. We need more activities and things for our young people to

[Mr Chuka Umunna]

do to divert them away from the gang-related activity that leads to violence, and we need more job and training opportunities for them. We need more family support, and particularly support to help adults give young people more of their time, in the context of a country in which we work the longest hours in western Europe. Of course, we need more police on our streets to help deal with the problem, and also appropriate sanctions. That list is not exhaustive, but those things are crucial.

Stella Creasy (Walthamstow) (Lab/Co-op): I thank my hon. Friend for giving that important list. Does he agree about the importance of involving young people directly in resolving some of the problems? I refer particularly to the work on teaching mediation in schools. I want to mention the young people I met today from the Lammas school in Walthamstow. They had been through Leap-accredited training in peer mediation, and are dealing effectively with what they call the misunderstandings in their schools as a way of preventing violence from escalating in our local communities in London.

Mr Umunna: Hear, hear. I agree with my hon. Friend—Leap does fantastic work in London. Such community and voluntary organisations are literally saving lives. They have a role, and the family has a big role, but so do Government. I have several deep concerns, which I hope the Minister will address, about the Government's future role.

Some youth services in my area are delivered directly by the local authority, but it also commissions local community groups to provide many services. Of course, the authority gets much of its funding from central Government. That pattern is repeated throughout London. We are essentially drinking from the same trough and have been receiving moneys from the same central Government funds.

Let me start with Lambeth's youth offending team—there are many youth offending teams across London. It works with young people in the community to prevent them from offending and getting involved in serious crime. It is funded by the Youth Justice Board and does hugely important work. On 20 August, during the recess, Community Care reported that the Youth Justice Board was to be abolished in the name of efficiency. Is that correct? If so, where will the youth offending teams in London get their funding? Will they be funded by the same amount?

The previous Government put in place the youth crime action plan, which was doing many positive things in my constituency, including getting former gang members to engage with young people and establishing youth worker street teams. That helped to prevent disorder and crime, and we were also looking to expand youth centre provision. My borough received £350,000 for this year and another £350,000 for next year. No doubt other boroughs received those funds too. Will the Government continue to fund the implementation of the plan when the money runs out next year? Will the level of funding be maintained?

We also received funding from the working neighbourhoods fund this year, and we have moneys for 2011 from the Department for Communities and Local Government, which we used to address worklessness in our area. We have a disproportionately high youth unemployment rate in Lambeth. The Government announced the abolition of the fund in June. What will they replace it with?

As part of Lambeth's area-based grant, it receives £9 million for a range of preventive services, from Connexions to school grants. The cuts that have been demanded of Lambeth this year mean that we have to make cuts of around £2.5 million to the grants. I do not understand how our youth provision will not be affected by that. Does the Minister have any idea of the effect that that will have on youth provision in my community? What will the Government do about it?

Again, the list of funds and support is not exhaustive, but it is substantial. It is crucial that we have the moneys so that we can channel the energy of our youth in a positive direction, away from the activities that lead to violence and, tragically, sometimes to the loss of young lives.

Policing is another big issue. While we must properly fund youth provision, we also need effective, visible policing to help deal with problems when they flare up. I pay tribute to the work of the many police in my borough, who do a fantastic job of keeping our streets safe.

Last Friday, the Police Federation chair said that a touch of ideology and bad advice to Government from think-tanks had left the police service facing cuts that could leave up to 40,000 officers out of a job. Yesterday, as the Minister will know, the Home Secretary responded at the Superintendents Association conference. She said:

"The front line is the last place police should look to make savings—not the first."

I spoke with some members of a safer neighbourhood team in my constituency on Saturday. We have eight safer neighbourhood teams which do sterling work and are very much supported by the community. They made it clear to me that they have already made savings by systematically attacking overheads throughout the force, not least at headquarters, in the way that the Home Secretary has demanded. They are already cut to the bone. What guarantees can the Minister give my community, and London in general, that police numbers will not be reduced?

Many of these funding cuts have been implemented in the name of deficit reduction.

Jane Ellison (Battersea) (Con): I have great empathy with everything that the hon. Gentleman says as we have the same issues in my neighbouring constituency. However, in his original list, he did not touch on family as one of the elements involved. Chaotic family situations need to be addressed over the next generation, and it would be a shame if he concluded his remarks without acknowledging that.

Mr Umunna: I did mention the role of the family, when I referred to community groups. However, I agree with the hon. Lady and I thank her for bringing the matter up. In fact, I have just been discussing that very issue at length with the young people who are watching us in the Gallery. The importance of the family, and support for it, is a big issue. In our borough—the hon. Lady will know this as a neighbour—one problem is with children having children, as we have quite a high

rate of teenage pregnancy. We have fantastic groups such as the St Michael's Fellowship which works with young mums and dads to teach them and support them in becoming fantastic parents. However, that also requires funding. I do not think that funding is the only answer, but if we are to have more youth workers and people who can sit down with young parents and teach them what it is to be a parent, the money will have to come from somewhere. In the current economic climate, corporate social responsibility funds from the private sector and charitable foundations are not what they were five or six years ago. That is why the role of the Government is so important—*[Interruption.]* The hon. Member for Bedford (Richard Fuller) shakes his head, but that role is important.

If we invest in prevention—in occupying our young people with decent things to do that can expand their horizons and increase their opportunities—it reduces the chances of them entering the criminal justice system. We know how much it costs to put a young person through that system. In the long term, therefore, it would actually cost us more as a community not to spend money addressing this issue than it would to invest the money now.

The youth activities and services that are being funded in London are helping not only to provide the future opportunities that I have mentioned, and to ensure that our young people can achieve their full potential, but to divert them away from violence. It is worth emphasising again that the people working in this arena are saving lives. We cannot put a price on reducing youth violence on London's streets. We have to do everything that we can to reduce that. What my constituents want to know is what the new Government will do about this. Will they cut off the support that we have and need, or will they live up to their duty to our young people?

6.14 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): I thank the hon. Member for Streatham (Mr Umunna) for raising the important issue of youth violence in London. Over the last few years, sadly, we have had several debates about youth violence. It is clear that the issue of violent crime remains a stubborn feature of our society. We need to do more to protect young people from violence and to empower local communities to work together to prevent the spread of violence. There is common agreement on that.

The hon. Gentleman takes a particular interest in this matter. He referred to the fact that he is the trustee of the Generation Next Foundation, and he is a former trustee of the 409 Project, so he has taken a close interest in youth issues and the impact of youth violence over an extended period. I note his approach and welcome a number of his comments. He referred to the sad and tragic murder in his constituency of Zac Olumegbon, and I extend the Government's condolences to his family and all other families who have lost loved ones through violence. Although we may not always agree on the means to prevent violence, I am sure that all of us here today agree that one young death is one too many, as he said.

As the hon. Gentleman highlighted, we know that the vast majority of young people are well-behaved and that it is a minority we need to focus on, which is why I welcome the campaign led by London's Serious Youth Violence Board, which highlights the fact that 99% of young Londoners are law-abiding and contribute positively to their communities. We should celebrate that fact. It is worth recognising that young people in our communities volunteer and take part in their communities probably more than any other group in our society, and I do not think we do anything by seeking to stigmatise or create a false impression of the situation. I welcome, congratulate and celebrate that, and it is important that we draw attention to it here.

Stella Creasy: I welcome the Minister's support for the youth voluntary sector, but how does he square that with the Government's decision this year to cut the final round of the youth sector development fund grant, which was funding many small voluntary third sector organisations that were doing precisely the sort of work he has just talked about and said we need to do more of?

James Brokenshire: I will come on to the issue of funding later, but the hon. Lady needs to recognise that there are real challenges here, in terms of the existing financial situation and the funding issues, and obviously the Government's priority is to ensure that the economy is put on a strong footing. We will, therefore, be looking very closely at these decisions. However, given that the comprehensive spending review has not yet concluded—we will be announcing the details on 20 October—it is not appropriate or helpful for me to speculate.

Mr Umunna: On the spending review, can the Minister give us any comfort that the Government will look at the cost of putting a young person through the criminal justice system when they consider funding for the third sector? I referred to that in my speech.

James Brokenshire: The hon. Gentleman makes an important point, and it is one reason we are considering issues of early intervention and prevention, and the focus on preventing young people from reaching the criminal justice system. I have characterised it in the past as conveyor belt crime. By focusing on early intervention, we can make a difference. For example, that is why we will take Sure Start back to its original purpose, which was early intervention, increasing its focus on the neediest families and better involving organisations with a track record of supporting families.

I noted contributions made on both sides of the House about the issue of family. For me, one of the most powerful statistics that has struck me over the past few years is that young people in this country spend more time with their peers than with their families than in any other European country.

That issue—cohesion, the role of the family and the support that lies behind that—is an important one that we need to focus on. I am therefore pleased that the issue of family has been focused on in this debate. In that context, I want to pay tribute to those families who have been tragically touched by such appalling incidents. I am always humbled and inspired by the parents, brothers and sisters who have sadly lost loved ones, and by how they are making an enormous contribution by seeking to make a difference and change our society in so many ways, so that it becomes that much safer.

[James Brokenshire]

I also want to pay tribute to the work of the Metropolitan Police Service in tackling youth violence in London. Just one example of that is Operation Blunt 2. For more than two years, this dedicated team has been targeting stop-and-search powers to take weapons off our streets. Since April this year alone, it has carried out 55,759 searches and 5,629 weapons sweeps, and seized 591 weapons. In order to ensure that stop-and-search has strong community support, the team has also been engaged with the communities affected by youth violence, who have welcomed this engagement and the significant resources going into keeping them safe.

The Metropolitan police also leads Operation Trident, which is aimed at gun crime, particularly—but not exclusively—where both the victims and suspects are from black communities. The work is developed with community members and independent advisers, because the Metropolitan police understands that communities are a part of the solution to these challenging problems. During 2009-10, Operation Trident seized a third more lethally-barrelled firearms—a total of 104—than in the previous year, and disrupted 75 criminal networks.

Mr David Lammy (Tottenham) (Lab): There is some concern about the use of the phrase "black-on-black violence", which has been attached to Operation Trident, and a desire to review that in the light of the complexity of backgrounds of inner-city youth in London. Can the hon. Gentleman confirm whether a decision has been made by Boris—the Mayor of London—to cut the marketing budget of Operation Trident? It is important that we should be able to communicate with the young people of London in order to deflect them from crime, so can the Minister comment on whether that is, in fact, true?

James Brokenshire: The right hon. Gentleman makes an important point about the complexity of the problems surrounding this difficult issue. I am afraid that I cannot give him a direct answer to the specific point that he raises about any decision that the Mayor may or may not have made on Operation Trident. However, I should be happy to make inquiries and, as required, write to him if that would be of assistance to him. What I can tell him is that the Mayor of London has recently appointed an expert advisory group made up of members of the black communities to support him on a number of those complex issues. The information I have is that the Mayor remains focused on the issue, recognising the difficulties, challenges and complexities that many hon. Members have highlighted in this debate.

There is much more work being led by the Metropolitan police and partners in London. A new anti-violence board brings together partners in the police, health, education, offender management and the community, along with parents. It will focus on the most dangerous offenders, hot-spot locations and protecting the most vulnerable victims. In addition, this year the Home Office is providing £700,000 to tackle youth violence in the capital. Lambeth, in the constituency of the hon. Member for Streatham, is one area benefiting from that funding.

I also want to highlight the Mayor's "Time for Action" programme, which recognises that to reduce youth violence we must ensure that young Londoners are a valued part of their communities and that they can contribute in meaningful ways. The programme focuses on: for the first time, giving young offenders in custody the tools to get them into work; tackling truancy; supporting young people in care to go to university; promoting sport; working with uniformed organisations to help build young peoples' character; and sharing good practice.

I would particularly like to acknowledge the Mayor's work to encourage the mentoring of at-risk black boys in Lambeth and other boroughs. The issue of young black men being disproportionately at risk of being victims and offenders is a challenging one—a fact that has rightly been brought to our attention in the debate tonight—and I certainly support all the initiatives that show a determination to take this on.

So there is an impressive array of work going on in the capital aimed at keeping young people safe. I hope that all hon. Members will join me in extending thanks to all those in London—the police, the Mayor, local authorities, community leaders and those in the local communities—who have worked so hard to contribute to this difficult work. Some of those excellent projects are currently being visited by Brooke Kinsella, whose brother Ben was tragically murdered in London two years ago. The Prime Minister and the Home Secretary have asked Brooke to head up a fact-finding mission to assess the work going on across the country to tackle youth violence. I am very pleased to have her working with us, but sorry that it was the loss of her brother that drew her into this work.

Brooke is visiting projects in London and across the country that are working to prevent young people from getting pulled into a world of violence. I know that she has visited some of the good work that is under way in the constituency of the hon. Member for Streatham, and seen a great deal of dedicated voluntary and community sector work with young people. Her findings will be presented to the Home Secretary later this year, to help to shape the Government's work in tackling serious violence among young people.

I would like to take this opportunity to place on record the Government's appreciation of Ms Kinsella's dedication. I know that the projects she has visited have appreciated her time and support for their work to protect young people, and that she has been inspired by some of the excellent and varied work being led by local communities up and down the country. Some of those projects have been funded through the Home Office community fund, which, since 2009, has provided 144 small community organisations with £10,000 each per year to stop young people committing violence. I know that funding is always an issue, and in the current financial climate, that will continue to be the case. However, I know that Brooke has been very impressed at the work being undertaken, often with minimal funding but always with a great deal of commitment, hard work and community good will.

Richard Fuller (Bedford) (Con): The hon. Member for Streatham (Mr Umunna) made some excellent points in his speech, and there was only one matter in which I had cause to disagree with him. That was when he described the pessimism about the response of the private sector and corporations. We are talking about crimes against young people in London, which is a centre for many businesses and corporations. Does the

Minister accept that this Government, having inherited the current financial situation and therefore being able to do less themselves, have a responsibility to encourage those who are able to create great profits in this same city to do more, using measures such as social impact bonds and early intervention? What can he do to encourage more to happen on that front?

James Brokenshire: My hon. Friend mentions social impact bonds and other means of drawing funding together from a range of different sectors. He might be aware of some of the innovative work that has been done in Peterborough prison to look at outcome-based issues and the structuring of a payment-by-results method. The Government are really looking to achieve positive results, and we are certainly looking closely at the way in which the third sector and the private sector can be joined together to make a combined difference. In raising the issue of the role of the private sector and of corporate social responsibility, my hon. Friend has made an important and powerful point.

I also want to touch on the work of the Victims Commissioner, and to reassure families that this Government are committed to supporting victims of crime through the criminal justice system. That is an important aspect of all this. Since Victim Support's homicide service was set up earlier this year, it has supported 457 individuals from more than 200 families, including after the tragic events in Cumbria. This service ensures that families bereaved by murder and manslaughter benefit from a professional caseworker and tailored, intensive support. I also want to draw the House's attention to the work of Louise Casey, the Victims Commissioner. In her inaugural public speech, she outlined her first impressions of victim and witness care, and talked about how we could take the work further forward.

I am conscious that the end of the debate is drawing near, but I want briefly to mention the accident and emergency data-sharing work that is under way to ensure that we have good information, as well as the sentencing review that is being undertaken by the Ministry of Justice and the work being done on gang injunctions—

6.30 pm

House adjourned without Question put (Standing Order No. 9(7)).

Westminster Hall

Tuesday 7 September 2010

[MR PHILIP HOLLOBONE *in the Chair*]

West Midlands

Motion made, and Question proposed, That the sitting be now adjourned.—*(Robert Neill.)*

9.30 am

Richard Burden (Birmingham, Northfield) (Lab): I welcome you to the Chair, Mr Hollobone, and express my gratitude for being able to debate Government policy on the west midlands. I am pleased to be joined this morning by a number of colleagues from the region.

I have represented Birmingham, Northfield for the past 18 years. During the last Parliament, I chaired the West Midlands Regional Committee. The Committee was a genuine attempt by Parliament to provide a focus for addressing matters of concern to the people in the region. The Committee's agenda was set not by the Government or by Ministers but by MPs from the region. I am pleased to be joined today by two members of that Committee—my hon. Friends the Member for West Bromwich West (Mr Bailey) and for Stoke-on-Trent North (Joan Walley).

The Committee, however, was scrapped by the diktat of the new Government; but in its short life at the height of the recession we were able to give voice to regional concerns about the impact of the economic downturn on communities across the region, on west midlands businesses and on the options for the future of housing and planning in the region. I hope that the Committee was also able to contribute to the accountability of regional institutions, the most obvious one being Advantage West Midlands—the regional development agency. It was also able to contribute to the operation of government in the region. Indeed, I welcome to the debate the former Minister for the West Midlands, my hon. Friend the Member for Dudley North (Ian Austin), and thank him for his approach to dealing with our Committee. It was one of engagement with MPs for the region. We did not always agree, but we agreed on a number of things. The key point, however, was that the Government and the Minister engaged.

The west midlands is a diverse and vibrant region. Its heritage as the workshop of the world means that innovation is in our blood. However, the region is in transition. Massive upheavals were already taking place in the economic base of the west midlands—from Staffordshire in the north and east to the traditional industrial heartlands of Birmingham, Coventry and the black country—and dramatic changes took place in the late 20th century in the economies of areas such as Warwickshire, Shropshire, Herefordshire and Worcestershire.

The region was hit hard by the economic downturn. For while, it had the worst unemployment rate in the country. However, action by people in the region, backed by the previous Government, helped to turn things around, and unemployment is down by 2.4% on last year. Nevertheless, the recovery is fragile. The danger of a double-dip recession is real for our region. I was at a breakfast meeting this morning organised by the Society of Motor Manufacturers and Traders, just across the road. The message from those in the automotive industry and from a number of academics was clear: that Britain still needs to address persistent under-investment in research and development.

The Department for Business, Innovation and Skills has a target for 2.5% of GDP to be invested in research and development. Projections that I heard earlier today suggest that the likely shortfall will be between £9.6 billion and £12.1 billion. Given that the automotive industry accounts for about 8% of our country's research and development, and that the industry is key to the future of the west midlands regional economy, we can see why the west midlands is worried indeed about the consequences of precipitate and untargeted tightening, as it will affect the development of our industrial base and its recovery.

We know that the Government's policies are leading to a downgrading of growth forecasts and are likely to result in higher unemployment, so the implications for our region are serious. As I said, they are serious not only for the economic base of the region but for our people. The Institute for Fiscal Studies confirmed only a few weeks ago that the coalition Government's Budget will hit the poorest households hardest. Despite claims that the rich will bear most of the pain, it is those on the lowest incomes who will gain least from the increase in the income tax personal allowance and suffer most from cuts in public spending. That will be the case also for pensioners, who will be hit by the rise in VAT. It will be families, particularly those on low incomes, who will be hit by cuts in the value of support for families. From next year, it is estimated that more than 80,000 people in the west midlands could lose an average of £520 a year through cuts in housing benefit.

Mr Adrian Bailey (West Bromwich West) (Lab/Co-op): I thank my hon. Friend for giving way. I apologise, but I shall have to leave fairly shortly as I have to chair my Select Committee at 10 o'clock.

In the context of what my hon. Friend said about the motor industry, does he agree that the latest figures for new car registrations—they showed a dip last month following a dip in the previous month—underline the fragility of the west midlands economy, and that that will have a particular impact on the Birmingham and black country region?

Richard Burden: My hon. Friend is right. I fully accept his apology. Indeed, I congratulate him, a fellow west midlands MP, on being elected as Chair of the Select Committee on Business, Innovation and Skills. I also welcome my hon. Friend the Member for Birmingham, Erdington (Jack Dromey), who is a member of that Select Committee, and my right hon. Friend the Member for Warley (Mr Spellar), who takes a keen interest in automotive affairs.

My hon. Friend the Member for West Bromwich West is absolutely right: if one industry sums up the fragility of the recovery, it has to be the automotive industry. It was one of the hardest-hit sectors, but it came through strongly. However, that did not happen by accident, but because people in the industry—whether the management or the work force—willed it to happen and because the Government were prepared to stand

[Richard Burden]

behind them. I do not say that the car scrappage scheme turned the automotive industry around, but it was part of the jigsaw of things that allowed that to happen. I do not say that the creation of a taskforce in the west midlands allowed the industry to come through, but it was part of that jigsaw.

Jack Dromey (Birmingham, Erdington) (Lab): I give the same apology, Mr Hollobone, as that given earlier. As a member of the Select Committee I have to be at its 10 am sitting.

Advantage West Midlands has evidence that for every £1 of public money invested, £8.14 is generated in wealth for the local economy. It was rated by the National Audit Office as the top-performing regional development agency, and it was praised for its management of the shock of what happened to Rover between 2000 and 2005, and for consolidating an automotive cluster that employs 150,000 people in the midlands and which is vital to the regional economy. Does my hon. Friend agree with the clear voice of business in the west midlands, which supports Advantage West Midlands and argues for the retention of a strong regional economic structure?

Richard Burden: My hon. Friend makes a good point, and I will shortly say a little more about Advantage West Midlands and the haziness that seems to surround some of the present Government's proposals for change. The responses from businesses and from people outside the political sphere are clear. Sometimes, one gets the impression that the future of effective regional co-ordination—I am talking about the type of co-ordination that Advantage West Midlands has been involved with—has been a matter for debate just among politicians, but it has not. It is an issue for the people affected by the decisions of organisations such as AWM, and for every business that has applied for and may have received assistance from the Advantage Transition Bridge Fund. It is a matter of economic health for many businesses in our region, and an issue of importance for the third sector in the region that engages with AWM.

The Regional Committee had a seminar in the west midlands that brought together different organisations, institutions and players to assess the future of governance in the region. Again, the message was clear that what we need is strong regional co-ordination and a strong regional tier that is accountable. It is easy to come up with the slogan, "Scrap the quangos", and then look for a quango in the west midlands and say, "There's AWM, let's get rid of it." People know that that is the easy bit; the difficult bit is to get away from the headlines and work out and put into effect the policies that will enable our region to win through. My hon. Friend the Member for Birmingham, Erdington was absolutely right about the matter.

I have referred to businesses, but often the impact of Government policy in the west midlands is felt not just by them but by the people whom we represent. The National Housing Federation recently highlighted that Birmingham is one of the places likely to be most badly hit. Its chief executive, David Orr, said:

"The changes could see hundreds of thousands of vulnerable people fall into debt, forced out of their homes and neighbourhoods and crammed into overcrowded ghettos. Many others will simply become homeless."

He was referring to the coming changes to housing benefit. All this comes at a time when Birmingham city council itself is proposing to cut no less—and it could be more—than £7 million that was allocated by the previous Government to tackle worklessness through the working neighbourhoods fund. It is not going to reallocate or redistribute that money to enable it to be spent more effectively; it is just cutting it and removing that level of support in tackling worklessness. As my hon. Friends know, the council is proposing to cut back on community day nurseries for some of the most vulnerable people in our city, even though such a proposal runs counter to the idea of stimulating and taking forward the principles of early intervention to which every single political party in this place signs up.

I turn to Longbridge in my constituency. I welcome the fact that, in Shanghai Automotive, there is still an important car presence there. There are plans to introduce new models for the coming year and it is the major technical centre for the whole of Europe, which is good news. However, Longbridge can never again be simply a car plant, no matter how important that plant is. Regeneration and the creation of a diverse economy in Longbridge and the surrounding areas are vital to the future. It is important for the regeneration not just of my constituency but of the south of Birmingham and the regional economy as a whole.

A bulletin produced in August by Birmingham city council, Bromsgrove district council and Worcestershire county council, all of which are either Conservative or coalition led councils, said:

"The new government's intended changes to planning policy and significant budget cuts continue to have a detrimental consequence on the development programme for Longbridge. Certainty of funding for the MyPlace programme, Regional Infrastructure Fund and the future of HCA funding continues to be at risk"

I am pleased that around £4 million of the Homes and Communities Agency's money, which was earmarked by the previous Government for Longbridge, has now been confirmed by the present Government, but the message of that update remains a chilling one for many of us. The report on housing and economic development in the west midlands by the former regional Committee said:

"Substantial public funding will remain necessary to increase the supply of affordable housing in the region to the extent required."

That conclusion was not just dreamt up; it was based on the evidence that we received. It is difficult to relate it to the cuts that are now taking place in housing: cuts of £100 million from the National Affordable Housing Programme, of £50 million from the Kickstart programme and of £50 million from the Housing Market Renewal scheme. I have described the likely impact of that on regeneration programmes such as Longbridge. No doubt other hon. Members can give examples from their own constituencies.

Such cuts affect real people in real communities in our region. For example they feel the impact of the scrapping of 64 school rebuilding projects that had been in the pipeline under the Building Schools for the Future programme, not to mention the scores of other schools, including all but one in my constituency, that never even got to the starting grid of the programme.

Hon. Members, particularly those on the Government Benches, may say that difficult decisions have to be made and they are right. They may say that capital

spending would have been squeezed by whoever won the general election and there is force in that argument. Difficult decisions were going to have to be made, but difficult decisions are about making choices. It is a question not just of what choices to make but who makes those choices, who one listens to and what one takes into account when making such choices. That is why it is so important in this climate to listen to the people who are most likely to be affected by the decisions. If they are to have their voices heard, they must have institutions through which they can speak. In Birmingham, in my own home town, we now hear that the city council is proposing radically to scale back the very mechanisms through which local people can have a say in council decisions. So much for all the talk about a big society in Birmingham.

What about the voice for our region? The final report of the West Midlands Regional Select Committee before the general election looked at how institutions can engage more effectively with the public and how that engagement can be used to help the region to become more responsive to the needs of the people who live there. We also recognised that Westminster needs to look at regional issues in a more coherent way. Normally when Select Committee reports are published, the convention is that the Government respond not only within a reasonable time scale but in a considered way. The Government will produce a report that will be discussed by the Select Committee. The Select Committee will consider whether the Government have tackled the issues that were proposed in its report and it will be its decision whether to publish the Government's response. Occasionally, when there are some holes in the response, the Select Committee has the right to send it back to the Government and say, "Have another think about it before we publish this." In that way, we can ensure that Parliament can consider properly not only what the Select Committee has said but the Government's response. My hon. Friend the Member for Dudley North, who is a former Minister, will know that that is precisely what happened over the last year. We produced reports, and they were responded to. There was one instance—I am sure he will not think that I am breaking any confidences here—when we felt that the initial Government response was not good enough. We sent it back and the Government had a rethink and came forward with another response, which was then published. It was done in a considered way that respected the region and the issues that it was raising.

The report, "Making the Voice of the West Midlands Heard", came out before the general election, but it was dismissed by the current Government in just two sentences in a written statement. Our report on housing and planning in the west midlands, which also came out just before the general election, was dismissed in just four paragraphs in the same written statement. Now Ministers are proposing to scrap the regional development agency, Advantage West Midlands. That is despite the fact that, as my hon. Friend the Member for Birmingham, Erdington said earlier, a National Audit Office report judged the RDA's performance as "strong" and gave it the maximum possible rating across most areas of the assessment, repeating the findings of the NAO's report of 2007. As my hon. Friend also said, the most recent independent evaluation suggested that for every £1 invested by Advantage West Midlands, a return of £8.14 is generated for the west midlands region.

Advantage West Midlands is not perfect. My Committee—the West Midlands Regional Committee—suggested changes, including changes to the accountability arrangements for AWM. However, the evidence that was given to us was that AWM's role in co-ordinating effort among regional players, in securing investment and in putting that investment—hard cash—to use in the areas where it was needed was and is absolutely vital. So, when the Government talk about cutting quangos and then relate that talk to AWM, they are not just talking about cutting institutions; they are talking about jeopardising the programmes and the real investment on which our region depends. And it is really not good enough to say that the new bodies that the Government are talking about—the so-called "local economic partnerships"—will pick up where the RDAs are just leaving off.

Partners around the west midlands, including in my own sub-region of Birmingham and Solihull, want to be as constructive as possible and they are putting ideas together about how they could put in place a local economic partnership. However, I ask the Minister today to be as clear as he can be in the information that he gives and if he cannot give information today I ask him to set out some key points in written form for hon. Members from the region.

In my opening remarks, I talked about the importance of research and development for the west midlands and about the importance of having the mechanisms for stimulating R and D in businesses up and down the region. If AWM is going to be scrapped and if local economic partnerships, which are undefined as yet, are going to replace AWM, it is important that we know which programmes will continue and which will not. Furthermore, of those programmes that are going to continue, it is important that we know which ones will be administered entirely centrally by Government and which will be controlled and administered by local economic partnerships in the future.

I ask the Minister to say clearly what actually is the difference between the budget that will be made available in the west midlands to do the type of things that I have been referring to in my speech and the budget for AWM, because I think that people in the region deserve to know what the difference is. If we are talking about AWM, we are talking about a budget of about £1.5 billion a year. However, when we look at the budget that is likely to be available for local economic partnerships, we are talking about £1 billion, which is not per year but spread over two years.

If I am right about that budget difference—the Minister represents the Government, so he will know the figures better than I do—what is it that will go? What is it that is going to be cut? Perhaps he will say, "Well, it will just be the bureaucracy that is going to go. That is what is going to be the difference—just the bureaucracy. The programmes will be maintained." However, if that is the case, I must ask, "Who is going to pick up and administer those things? Who will do the work?" Is it the Government's view that local authorities will simply pick up the slack? Is it the Government's view that local authority and local authority staff will do that work?

Robert Flello (Stoke-on-Trent South) (Lab): I am grateful to my hon. Friend for giving way. He is making an extremely good and impassioned speech, which I am listening to with great interest.

[Robert Flello]

I think that we are already seeing some evidence of where these cuts will fall. In my own constituency, I was approached by a company that wanted to establish a brand new mug-making business, which is something that we have not seen in the Potteries area for far too long. That company was promised a grant of £250,000 from AWM, but that grant has now been cut. The whole project is now in jeopardy; the nine-month order book that the company had already managed to accumulate is now in jeopardy, as are the 50-plus jobs that were planned. I think that we are already seeing the evidence of the cuts.

Richard Burden: I welcome my hon. Friend to today's debate. He makes a very important point. I think that the point that he is making is twofold, and both aspects are important.

The first aspect is the type of thing that I was talking about earlier. All the indications are that there are going to be cuts, which will be real and substantial. Those cuts will not simply be in services but in the very things that will be able to generate the wealth that will keep unemployment down, create jobs and enable regional recovery. So there will be substantive cuts.

However, the second and more insidious thing that is going on at the moment is that because of the policies that the Government have come out with and because they have said that AWM will go, to be replaced by these local economic partnerships that are as yet undefined but will take up the strain, the Government have bred uncertainty and unpredictability at the very time that we need certainty and predictability in order to invest and innovate for the future. That is the story that my hon. Friend is talking about in his area and I think that it applies elsewhere.

Karen Lumley (Redditch) (Con): Obviously, AWM has done some good work. However, I visited many companies in Redditch before the election and I have obviously visited a lot since the election. So let me just say to the hon. Gentleman that AWM does not benefit the companies in Redditch, because they do not fall within the category of companies that AWM helps. There is a lot of deprivation in Redditch; it has actually got the highest unemployment in Worcestershire. So a lot of the companies in Redditch are actually looking forward to the local economic partnerships and hopefully Worcestershire will get its own partnership, so that we can see some of the money for those schemes coming into Redditch.

Richard Burden: I applaud the hon. Lady's optimism and I am very happy to sit down if she would like to intervene again. However, what is the budget that she is anticipating for her local economic partnership?

Karen Lumley: I am looking forward very much to hearing the Minister's response to the debate and I am also looking forward to seeing what we get. Actually, for those of us in Redditch something is better than nothing.

Richard Burden: I am also looking forward to the Minister's response. I simply say to the hon. Lady what I said before, that AWM was not perfect and that choices had to be made, as choices always have to be made. However, to make the choice, there must be the institution that people can debate with; to make the choice, there must be the engagement, and to make the choice we need to have the discussion. That is the point. At the moment, it is unclear what the institution will be in the future, what its budget will be and who will have a say.

Robert Flello: I am very grateful to my hon. Friend for giving way; he is being very generous in allowing interventions. If I may respond to his point about the perfectness or otherwise of AWM, I will say that I have been one of its critics in the past. Historically, however, the problem lay very much with Stoke-on-Trent city council not being able to use the resources, the funding and the talents that were being provided. So I think that quite often AWM got the criticism, when it really should have been levelled more locally.

Richard Burden: My hon. Friend makes an important point. I just have an inkling that, perhaps a little later on, my hon. Friend the Member for Stoke-on-Trent North may well have some particular things to say, not only about Stoke-on-Trent itself but about north Staffordshire. Earlier I said that our region is one that is in transition and that is diverse. However, the particular problems affecting north Staffordshire are very large and very acute, and targeted help, support and attention are required to tackle them.

Talking about north Staffordshire raises another point. If regional institutions such as AWM are going to be scrapped and if there are going to be these local economic partnerships springing up all over the place, it is understandable—absolutely understandable—that different local economic partnerships in different areas are likely to come up with different priorities and different solutions that affect their own particular area. It is absolutely understandable that they will reflect local aspirations and local circumstances. However, the question will arise in the future—who will be the arbiter of those competing aspirations? In the future, will it actually be the case that, for all the talk about decentralisation, central Government will be the arbiter of those competing priorities, rather than partnership bodies in the region itself? Those regional bodies were too unaccountable, but it is not a case of making them more accountable. It is actually a case of taking that power from the region altogether and giving it to central Government.

Lorely Burt (Solihull) (LD): I congratulate the hon. Gentleman on securing this important debate. He says that the fact that we have lost our regional development agency will make Government more accountable. The whole purpose of the local enterprise partnerships is to prevent Government from dictating the programmes for each region. The region's businesses and its elected representatives will make the decisions that affect them directly. I believe that the situation is the opposite of what he is suggesting.

Richard Burden: I very much hope that the hon. Lady is right, but I do not see the evidence for it. Perhaps the Minister will enlighten us about whether she is right.

If different local economic partnerships come up with different priorities and aspirations, who will decide who gets what? Central Government. If I am wrong about that, what body will decide? If another body is created—perhaps it will bring together regional stakeholders and players from the different sub-regions—it will need

a staff and some presence in the region if it is to work, will it not? It will need the ability and the reach to work out what needs to happen in the region. I guess that we could give a body like that a name, could we not? Because it would be involved in developing the region, we could call it a regional development agency.

The RDAs were not wrong: the problem was that they were not sufficiently accountable. However, my difference with the present Government—I look forward to the Minister's speech, because I may have this wrong—is that they appear not to be improving accountability. All the accountability mechanisms are as vague as ever—arguably more so. The Government are undermining the institutions that need to be held accountable, their budgets, their reach and their strategic relevance to the region. That is the problem.

These matters are not of academic importance; they involve how the west midlands can address the big challenges that it faces in the coming months and years. Inevitably, there will be and are political differences in this place about what economic strategies we think are right for the country or for our region. Understandably, views will differ about the scale, pace and timing of deficit reduction. We will differ politically about when, in order to prevent double-dip decisions and secure recovery, we may need to maintain spending and, in some cases, even expand it. Those differences are absolutely understandable.

However, the point of this debate is not just to touch on those issues; it is to return to the issue of choice. Who will decide? Who will be the voice of people, businesses, the third sector and communities in the west midlands? Will it be local councils? As I said, Birmingham city council is scaling back devolution internally. Will regional players make strategic decisions for different businesses and industries? Who will decide, and by what mechanisms?

It is time for the Government to come clean, not because I as a Labour MP from the west midlands say so, not because I have taken umbrage because they scrapped the Select Committee that I chaired but because this is the voice of the west midlands. They should look at what business organisations and the third sector in the west midlands are saying, and what local authorities themselves are saying in their more reflective moments, and act on it. We need more clarity so that we can meet the challenges in the west midlands and secure for our people the recovery and the future that the region deserves.

10.4 am

Lorely Burt (Solihull) (LD): I congratulate the hon. Member for Birmingham, Northfield (Richard Burden) on his passionate speech. I know how much he loves and cares for the west midlands; so do I, and we have worked together positively in the past. We may have slightly different views about how to do things, but we always want the same end result: the success and prosperity of our region.

I will concentrate on one or two issues. Like the hon. Gentleman, who spoke about this at some length, I am particularly worried about the impact of the cuts expected in our region. On 22 October there is the comprehensive spending review, which we know will have a big impact on our public sector jobs. We are all bracing ourselves with concern for any job cuts that might be coming our way. My constituency has the UK Border Agency, so the cuts are of concern to everyone there.

The region as a whole has 636,900 public sector jobs. They represent 27% of the region's total, which is high. The west midlands is the only region in Britain to have suffered a net loss in private sector jobs since 1988, according to a *Financial Times* investigation done 18 months ago. It is a concern, and we need support from Government. We know that we are going to lose public sector jobs, so we need help diverting resources into ensuring that we achieve growth in the private sector.

The regional growth fund announced by the coalition Government is extremely welcome. I want to learn as much as possible about how it will affect the west midlands, what it will do and how it will work. I do not know whether the Minister can enlighten us to any great degree this morning, but information as early as possible would be extremely welcome.

The Government have issued various types of support to business generally by waiving some employment taxes on new businesses' first 10 jobs and cutting the main rate of corporation tax from 28p to 24p for larger companies and from 21p to 20p for small ones. Another £200 million has been announced for the enterprise finance guarantee scheme, and so on. The Government are not unaware that business needs support. Sometimes that support comes in the form of tax reductions, but it also comes in other forms.

The hon. Member for Birmingham, Northfield spoke at some length about the importance of infrastructure to our region. He spoke amusingly about how we might manage regional challenges such as infrastructure and sectors that span more than one local enterprise partnership in the region. It is important that we tackle that issue. There is no reason why different local enterprise partnerships cannot work in harmony. My area, Solihull, is going in with Birmingham, but we have a lot of sectoral interest with Coventry and Warwick. There is no reason why we cannot work with those areas on joint projects to help each other in local enterprise partnerships.

I want to bring to the Minister's attention three projects that will make a big difference. The Government have already agreed that the Birmingham New Street station development will definitely go ahead, but two other projects are absolutely vital to the prosperity of the region. One such project is the runway extension at Birmingham International airport, for which the small matter of £25 million needs to be dealt with. Although the vast majority of the ownership relates to private and local authority areas, we need an injection of £25 million to square the circle and make that project viable again.

We also need High Speed 2, which I am delighted the Government have backed. Centro has estimated that High Speed 2 will provide 22,000 jobs and £1.5 billion per annum for the region. The project will also free up the west coast main line for local traffic, which is important because we cannot get any more trains on the tracks at peak time. In addition, the development of Curzon street—the regeneration of that area and the creation of retail opportunities there—is very important. The west midlands, particularly Birmingham, is the hub of the project. We should be viewed as an international destination for visitors and for businesses that want to invest. Once we have High Speed 2, it will take a short time to get to London, and that will make our region a

[Lorely Burt]

very desirable destination indeed for inward investment. I urge the Government to get on with that project—I know it cannot not happen tomorrow—because it will make a very big difference to our region.

The hon. Member for Birmingham, Northfield talked with some passion about Advantage West Midlands and the Government's replacing it with local enterprise partnerships. I agree with him that Advantage West Midlands has done a good job with the remit the Government gave it; however, that remit was determined by Whitehall. There is some local representation on the board of Advantage West Midlands, but the piper calling the tune has definitely been central Government. The introduction of local enterprise partnerships has led the Government to ask local authorities and local businesses to work together in partnership. They have been given a blank sheet of paper and asked, "What do you want? We want you please to think for yourselves. Don't just expect to be told what you need. You know what you need, so you should put forward a proposal for endorsement by the Government." That is how things are going to happen. There will be a lot more localism, and local companies and locally elected representatives will be able to determine what should happen.

In the *Birmingham Post*, Jon Walker refers to local councils throwing off the shackles of Whitehall and states:

"residents will elect people who actually make decisions for a change."

I am looking forward to that happening, but there is no question but that the process is scary. The hon. Member for Redditch (Karen Lumley) talked about Worcestershire developing an LEP on its own. I am worried about some of the proposals being made. It is unfathomable why Herefordshire, Shropshire and Telford should be together and Worcestershire should be missed out—unless the old traditional political ties make such partnerships feel more comfortable. It is more important that any LEP have geographical centres of economic common interest, and I want to ensure that that happens.

The deadline for LEP proposals was yesterday, and whatever has landed on the Minister's desk will doubtless prove varied, interesting and challenging, to say the least. It will be fascinating to see the Government's response to all the new ideas that are being brought forward. I suspect that they will take the best of them and help the areas where proposals are not quite hitting the mark. In the end, local areas should have a say, because the people who are involved locally know about their area and what it needs. We should have true democracy and business involvement in future decisions.

I have some concerns about Advantage West Midlands and the interim period, which could turn out to be a hiatus unless some careful work is done. Advantage West Midlands is making cuts to programmes, and it has said to me that some of its decisions about which programmes to cut are based more on the cost of getting out of the programme in question than on its value. I have asked Advantage West Midlands to produce a list of those programmes. I raise the matter with the Minister because the last thing the Government want is for good programmes to go down the drain for the wrong reasons. The days of making any organisation jump through hoops because of a centralising view should be over. That must not happen to some of the good programmes that Advantage West Midlands is rolling out.

I look forward to hearing the Minister's response to the comments of the hon. Member for Birmingham, Northfield.

10.17 am

Joan Walley (Stoke-on-Trent North) (Lab): It is always a pleasure to take part in Westminster Hall debates. I am particularly pleased to do so under your chairmanship, Mr Hollobone, because I know you understand the role of Back-Bench MPs and the importance of getting constituency issues on the agenda. I congratulate my hon. Friend the Member for Birmingham, Northfield (Richard Burden) on initiating the debate. I agree with the hon. Member for Solihull (Lorely Burt): it has been a passionate debate, but it has also been very measured.

My hon. Friend's well informed contribution was based on some of the many debates that took place when we had the West Midlands Regional Committee. I welcome the Minister to his post. I understand that no longer having regional development agencies means there is no need to have Regional Select Committees to scrutinise what is being done. However, if the Minister would like some bedtime reading, I urge him to have a look at the work we did and the evidence we collected. He should also consider the reports of the public evidence sessions. If he wants to get a grounding in the real concerns of the whole of the west midlands—from Staffordshire in the north to wherever the area ends in the south—those evidence sessions should be his bible.

The West Midlands Regional Committee covered much ground in understanding a unique part of the UK that is dependent on manufacturing and has found the world has changed. The real issue is how to deal with the global economic changes we have had and bring together all the skills that are needed to deal with those changes, including the political skills and the area's institutional needs. As hon. Members have said, things rarely happen by accident in this world; they happen by design. Taking political decisions is about ensuring that the things that need to happen are understood and do happen. I question how we can get the end results that we need without having the relevant institutions in place.

The debate is timely, not least because whatever will replace the RDAs are now in their formative stage; they are going through, if not a regional process, a process at Whitehall. When I came down to Westminster yesterday, I was concerned to read an article in the *Financial Times* on the future role of LEPs. It speculated on what LEPs might be set up and gave an overview of what might be in place in the south, the south-east, the south-west and so on. For the west midlands, the article stated with great authority that there would be one LEP for Birmingham, one for the black country and possibly one for some of the other marginal areas—I use the word marginal authoritatively, because there was no mention of an LEP for Staffordshire.

Therefore, today I want to argue that the Minister, whatever he does in this brave new world, must understand the needs of Stoke-on-Trent and Staffordshire. I prefaced every meeting that my colleagues from Stoke-on-Trent

and I had with the RDA, and with my hon. Friend the Member for Dudley North (Ian Austin) when he was a Minister—he is now representing us on the Opposition Front Bench—by stating that the RDA would only deliver for the Government if it delivered what Staffordshire, and particularly Stoke-on-Trent, needed.

The west midlands has one of the most fragile economies in the UK, and the breakdown of the figures shows that Stoke-on-Trent's needs are higher than most. That might be a ghastly situation to face, but it means that we all must understand it and be informed. The Government must not adopt party political positions just because there are no coalition Government Members in Stoke-on-Trent. They must recognise that need none the less and do what is necessary.

Lorely Burt: The hon. Lady makes a powerful point on behalf of her constituency, but I suggest that that is whole point of the LEPs. The hon. Member for Redditch said that she felt that her constituency had been ignored by Advantage West Midlands. Will it not now be helpful for Stoke-on-Trent and its economically viable areas to have their own say? Its business people and local representatives could make their points, put their business plan together and have ownership of it themselves so that they could say to the Government, "This is what we want. Let's have it please."

Joan Walley: That all sounds very good and plausible, but one needs the necessary recourses, skills, expertise, professionalism and governance to make that happen. One also needs people who know what they are doing and understand their role in delivering that. As my hon. Friend the Member for Stoke-on-Trent South (Robert Flello) mentioned earlier, and as was well documented in the report on Stoke-on-Trent produced by the local government democracy commission, there are particular issues there that cannot be dealt with simply by stating that if local businesses and representatives have a say in what happens it will all be all right, and everyone recognises that. I am afraid that the problems are much more deep seated than such a view suggests.

In traditional manufacturing areas education and skills are often seen as the way out of the problems, and I belief that the key challenge we face is to ensure that our young people get the education they need and that there are the jobs available for them locally so that they can stay in the area and be part of its local governance arrangements. That way, they will become the leaders who will be able, along with the whole area, to make the case for what we need.

Sadly, Stoke-on-Trent was behind other areas in getting its act together and understanding the changing needs of the global economy. However, as was well charted in the meeting MPs had with the North Staffordshire chamber of commerce in June, we now understand that and have started to see an improvement in the local economy, as a result of the measures that the previous Government put in place to get us through the recession. We have started to see further improvements in trading conditions and in levels of job creation, and home market sales and orders for the manufacturing and service sectors have risen significantly, and that has all been charted by the North Staffordshire chamber of commerce. We now have the necessary expertise and know what we need, but just as we start to see those improvements, we find that we are in a period of limbo in which we genuinely do not know what will replace the RDAs, what money will be available and how those scarce resources will be allocated.

Robert Flello: My hon. Friend is making an extremely impassioned speech on behalf of an area that I, like her, love and feel strongly for. Does she recognise that, just as things are starting to turn the page in North Staffordshire, and in Stoke-on-Trent in particular, the rug is being pulled from under us, not only in terms of not knowing what the future holds, but in terms of the concrete help, such as the funding for new homes and for businesses, which has been pulled? All those things that we were starting to get to grips with are gone. The other issue, which she might like to comment on, is that there is now a danger that the LEPs will be in competition with each other and that Stoke-on-Trent and North Staffordshire might lose out to the big conglomerate of Birmingham and its immediate neighbours. When it comes to the distribution of funding to the LEPs, there is a danger that Stoke-on-Trent will yet again be hidden away at the bottom of the pile and will have to make do with the crumbs.

Joan Walley: There was no intention on my part for Stoke-on-Trent to be hidden away at the bottom of the pile. That is why I am speaking in this debate with my colleagues and saying to the Minister that we look forward to our further meetings in the coming weeks. In one meeting later this week we will discuss the ceramics sector with the Secretary of State, which will give us an opportunity to explain to the Government that ceramics is a creative industry and to educate them on what our local industry is doing. I could talk at great length, had I sufficient time, about how firms, such as Steelite in my constituency, are shortly to launch a major campaign to show the world the tableware that is being manufactured in Stoke-on-Trent and explain that there is a piece of Stoke-on-Trent just about everywhere around the world. We want the Government to recognise that the ceramics industry needs that support and assistance if it is to flourish, particularly in relation to energy issues, a cross-governmental concern.

We have further meetings arranged with the Government to focus on our further education college, so I am pleased that we will have the opportunity to put the case for the investment that is needed. If we can secure that investment, we will secure the skills, education and training for our young people so that they can grasp those opportunities, as my hon. Friend the Member for Stoke-on-Trent South has just said. We are in no way allowing that freefall or the limbo land that we are in to prevent us from making the case for what we need in Stoke-on-Trent.

Having said that, I am worried that we are already starting to see people leave, from the NHS and from key professions. Many professionals are moving to other jobs elsewhere in advance of the redundancies that will be made. My main concern is that people will not stay because there will be no jobs and that we will not have the people in the positions or the institutional framework to secure that funding. Some of that money will come from Europe. European innovative funding has already been dedicated to Stoke-on-Trent and we need to ensure that it is kept there.

I am conscious of the time and the debate being short. In summary, the local economic partnership plan being submitted is not what I would prefer, but it has to

[Joan Walley]

be supported by the Government to the fullest extent when the application arrives on their desk.

We have an issue about the uncompleted funding in the university quarter. The money needed for the further education colleges has to be there. Money is also needed to complete the bus station that serves Stoke-on-Trent in Hanley. Never mind Birmingham runway extensions or anything like that—we do not have a basic bus station to keep our essential infrastructure going which, again, will not help us get the regeneration that we need. Having said that, money must not come at the expense of the European and other funding that is taking place in the six towns of Stoke-on-Trent, such as Burslem. Those issues need to be thrashed out.

I have major concerns about how the demise not just of Advantage West Midlands but of the regional government office will leave us with no planning strategy. We could well end up being left with no solution for the brownfield sites, on which we should be concentrating, in the urban area of Stoke-on-Trent. We could get investment decisions whereby people will take their plans elsewhere and develop on green belt sites. In the absence of a coherent environmental strategy, it is difficult to see how all that will take place.

I am anxious to hear in good time about the Minister's plans. Unless we know those plans, we cannot ensure that what we are having to salvage can be taken forward. Our fragile economic improvement is too precious—we must not see a double dip recession. I look forward to what the Minister will say and to the many ministerial letters saying that he has understood the needs of Stoke-on-Trent and north Staffordshire.

10.31 am

Ian Austin (Dudley North) (Lab): I congratulate you on your appointment or election—I do not know how such things work—to the Panel of Chairs, Mr Hollobone.

I congratulate all the Members who have taken part in an important debate. I congratulate my hon. Friend the Member for Birmingham, Northfield (Richard Burden) on securing the debate and for the work he has done over the past 20 years as a Birmingham MP and, more recently, as Chair of the Regional Select Committee, highlighting regional issues and campaigning for more help and support for the west midlands.

As has been said, we have many great strengths in the region: hard work, ingenuity, adaptability and innovation. Those are the attributes on which we launched the industrial revolution and changed not just the west midlands and Britain but the whole of the world. We have some world-beating companies too, just not enough of them. The truth is that our region has been hit harder than any other region during the recession and the recovery in the west midlands is more fragile.

Not as a result of mistakes made over the past few years, our region has lagged behind the national average, in terms of output and productivity, since 1976—more than 30 years in which our region has been falling further behind. Secondly, as pointed out by the hon. Member for Solihull (Lorely Burt), ours is the only region in which private sector investment has declined over the past 20 years.

I want to discuss some of the structural challenges that our economy faces, some of the opportunities ahead and how we should be preparing to exploit them, so that we can bring new industries and jobs to the west midlands.

We face major challenges in the region on transport and trade, innovation, reputation and skills. The region was beginning to get its act together, but we cannot say that we have worked together to present our case to Whitehall as effectively as other regions have for decades. We have some brilliant universities, but the links between them and business are less effective in the west midlands than elsewhere.

The organisation tasked with strengthening our economy and tackling such underlying structural weaknesses was, of course, Advantage West Midlands. I want to pay tribute to Mick Laverty, his predecessor John Edwards and their colleagues, and to Sir Roy McNulty and his predecessor Nick Paul, and to thank them for their hard work, their contribution and everything they have achieved in the west midlands so far.

Let us look at the organisation's record: 87,000 jobs, 7,500 new businesses and 127,000 people helped to get better skills. It drove forward the regeneration of the south side of Birmingham city centre and led the Rover taskforce—to which my hon. Friend the Member for Birmingham, Northfield made such an important contribution—which enabled more than nine out of 10 of the former Rover workers to get back into work. AWM also led the regional taskforce, which got the whole of the region working together and helped thousands of people and hundreds of businesses to weather the storm of the past few years. It sorted out major projects, such as Fort Dunlop, the Edgar Street Grid in Hereford and New Street station in Birmingham.

Look at Fort Dunlop, which was the largest single regeneration project in Europe. They are massively complex projects. The New Street station project had to bring together Network Rail, train operating companies, the private sector, shops, businesses, the local authority and the Government. That could never have happened without an organisation, such as AWM, with the necessary expertise, strength and knowledge.

Look at the airport project, which involved two local authorities, businesses, the owners of the airport and the Government, who had to contribute. There is no way a local economic partnership in Solihull would have the authority and clout to bring all of them to the table and to find a way through the complex legal arrangements or to get the airport the necessary investment.

Lorely Burt: I have to disagree with the hon. Gentleman. Birmingham Solihull does have the ability, skill and expertise for a project such as the extension of the runway. However, he is making an important point about regional infrastructure and the skills needed for such big projects. A small local economic partnership might need to bring in particular expertise.

I guess I am arguing against myself for a moment, and agreeing with the hon. Member for Birmingham, Northfield. There will be times when we need a much more structural regional overview to ensure that we are working together as a region. The Government are mindful of that.

Ian Austin: I am not sure I know what the hon. Lady is arguing. I am not sure that she knows what she is arguing. She does not seem to know what the Government are arguing on the issue.

The blunt truth, which the local authorities in Birmingham and Solihull would accept, is that if it were not for AWM, the government office and the other regional organisations, they would not have been able to make progress on the plans to extend the runway. They would not have got to where they are today without such support. For the hon. Lady to pretend otherwise is fanciful, frankly.

Do not take my word only for AWM's success over the past few years. Independent evaluations, as we heard, show that AWM generated £8.14 in economic benefit for every £1 it invested. Only last week, the National Audit Office ranked AWM among the top two regional development authorities in the country, said it was performing strongly and commended its "lean and efficient good practices".

First, I want the Minister to tell us how much funding will be allocated to local economic partnerships in the region compared with AWM's existing budget. Secondly, how confident is he that decisions on which LEP projects will be funded will be as well informed as decisions taken by AWM in the past? That question deals with the totally spurious and ridiculous point made about localism today. Decisions used to be taken in the region, by local councillors and businesses in the region.

What happened before was that local authorities and local regeneration companies, run by local people and local councillors, presented their case for funds to the RDA. Local councillors and business leaders sitting on the RDA decided which projects to fund in the region. Look at how the regional funding allocation process worked, and the joint strategy and investment board of the RDA achieved a phenomenal degree of cross-regional co-operation. People set aside vested interests and parochial demands to come up with 20 priorities to deal with the underlying structural weaknesses in the regional economy.

What will happen now is that local economic partnerships, presumably made up of those same people who sit on local councils or in local regeneration companies and all the rest, will put their case to remote officials in Whitehall, who will make decisions previously made locally and regionally. Let us hear no more nonsense about the new LEP arrangements being evidence of some sort of localist agenda.

We have also heard today that there will be less money to spend. I am not sure that we can rely on the Minister to admit to the cuts in those budgets, but I am happy to confirm what my hon. Friend the Member for Birmingham, Northfield sought from him. My hon. Friend is absolutely right. Under the previous Government, RDAs nationally had a budget of £1.5 billion a year. The new regional growth fund will amount to £1 billion over two years, which is less than one third of what is currently spent in the area and less than one quarter of what was spent just a few years ago. It does not take a genius to work out that more organisations will be chasing less funding.

As my hon. Friend the Member for Stoke-on-Trent North (Joan Walley) said just a moment ago, the fear of many of us in the region is that the new LEPs representing smaller areas or individual counties will find themselves massively outgunned by strong LEPs such as those based in Birmingham and Solihull. The idea that an LEP in Worcestershire will be able to compete with the expertise, knowledge and so on that are available to the Birmingham LEP strikes me as utterly ludicrous. The truth is that AWM's work is needed now more than ever.

The blunt truth is that our region was hit harder by the recession than any other, so I would like the Minister to tell us why the region that he represents—London, which all the evidence and research tells us will recover more quickly and more strongly than any other region in the country—is able to keep its RDA but the RDA for the region where recovery will be toughest has been abolished.

The west midlands was hit harder because of underlying long-term structural weaknesses in the regional economy, the most serious of which is skills, our region's number one priority. We have too many people with poor literacy and numeracy skills and no qualifications, and too few people with level 2 qualifications. We have fewer people with high-level skills than other regions, and the second lowest proportion of managerial and professional jobs in England. The region has 70,000 fewer graduates working in its economy than other regions do. Can the Minister tell us how much money will be invested in skills in the west midlands, as compared with the past?

The central reason why the west midlands suffers from a skills problem is that its regional economy has a higher proportion of small and medium-sized enterprises than elsewhere. The owner-manager of a small business who is desperately trying to keep his head above water and worrying about how he will pay his staff at the end of this week or the next is much less likely to be thinking about innovation, new skills, building links with universities, employing graduates next year, or new apprenticeship programmes. That is why we have fewer graduates working in the region.

The AWM instituted several programmes to bring universities and businesses closer together to tackle underlying structural weaknesses in the regional economy. I would like the Minister to tell us what plans he has to get the region's brilliant universities and fantastic businesses working together to strengthen our economy for the future. Can he tell us what will happen to the multi-area agreement? For the first time, businesses and universities and eight local authorities in the region are working together.

It is crucial that the west midlands has the skills that are needed to exploit the opportunities presented by new industries, and by new jobs in the growth areas of the future. We will face massive growth in low-carbon technologies, advanced manufacturing, digital media and health care and biomedical technologies. We must make absolutely no mistake about this over the next few years. Our region is at a turning point, and the decisions that we make now about investment in skills and innovation in such areas will determine how many of the high-wage, high-productivity jobs of the future we will get in the west midlands. If we get the decisions wrong, we will face decades more of decline. Look what happened with the computer revolution and the massive investment in pharmaceuticals over the past few decades in Britain: all the jobs went to regions that had the necessary skills.

Can the Minister update us on plans for the manufacturing technology centre at Ansty, which was designed to increase investment in high-technology

[Ian Austin]

manufacturing? Can he tell us how the region will continue to exploit the new green industries and lead the way on low-carbon vehicle technologies, which were such important strands of AWM's work? That cannot be done by an individual LEP in Coventry, Birmingham or Solihull, because the work happens across the region, from Stoke-on-Trent to Lichfield, Coventry, Birmingham and the black country, and a regional organisation is needed to pull it together. Who will ensure that the region is able to co-ordinate its activities as it has in the past and profit from those opportunities?

Can the Minister tell us how, without an RDA co-ordinating the work, he plans to get better links between centres of excellence and business so that the region can become more entrepreneurial? Can he give an update on plans to extend the runway at Birmingham, which is crucial for developing more long-haul flights and direct links with emerging and growing economies? Can he tell us what is happening with High Speed 2, which has the potential to turn parts of our region into a new Thames valley?

Who does the Minister think will lead on the region's approach to the relocation of civil service and public sector jobs in the future, or does he envisage a long list of LEPs, all of which will jump on trains and hammer down to Euston to put competing cases to Departments about where jobs should be located?

Joan Walley: I hope that my hon. Friend will ask the Minister to discuss the follow-up to the Smith review. There was a meeting in the west midlands on 11 June, and it is important to know how it is being followed up.

Ian Austin: I am sure the Minister will deal with that when he replies.

What are the Minister's plans for inward investment? Instead of one regional co-ordinating body—the RDA—does he now want every local authority and LEP to charge off to other countries to compete for investment and to put competing arguments about where new companies should locate? All that supports the argument that we need to get the Government, businesses and local authorities working together, which was the central purpose behind RDAs.

The truth about the west midlands is that it faces the brunt of huge economic changes that are taking place faster than ever before. Jobs, businesses and whole industries can move around the world, and our poorest communities have paid the highest price for the benefits of globalisation. We are working in Stoke to tackle the decline of the pits and the Potteries, and in the black country to deal with changes in manufacturing. Faced with massive restructuring, we have a choice. We can blame the Government and say that communities would be free to transform themselves if only we could get government out of the way, or we can say that while communities still struggle with poverty, and while the economy in the west midlands lags behind the rest of the UK, there is a role for an organisation that can get the Government, business, the third sector, educational institutes and local authorities working together to help businesses exploit new opportunities with better skills and more innovation, and to ensure that, as we overcome the recession and as our economy grows again, we will build a stronger economy without leaving any community behind.

10.47 am

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): I join the other hon. Members who have welcomed you to the Chair, Mr Hollobone. It is a pleasure to see you there for the first time. I am sure that it will not be the last time, and we look forward to serving under your chairmanship in the future.

This has been a useful debate, and I warmly congratulate the hon. Member for Birmingham, Northfield (Richard Burden) on initiating it and on making informed and passionate arguments. I may not agree with everything that he said, but no one doubts his commitment to the region. I accept the genuineness of the concerns raised by hon. Members on both sides of the House about issues that affect their area.

I accept, too, the commitment of hon. Members to the former regional Select Committees. We disagree on the appropriateness of that route, but I want to make it clear that that does not diminish my respect for the work that hon. Members, including the hon. Gentleman, put in at the time.

Several important points were raised, and I shall do my best to deal with them in the time available. I have made notes, and, if I am unable to touch on everything, I will do my level best in due course to get back to hon. Members. I am conscious of the important opportunity provided by these debates.

I do not wish to start with semantics, but it is interesting that the debate is on Government policy on the west midlands. I would prefer to rephrase that to "Government policy for the west midlands". It is, perhaps, a question of how we see things being delivered. Policy is not an end in itself. It does not exist in a vacuum but is actually a means to an end of improving people's lives, be that through fiscal stimuli, transport infrastructure, education—all the things about which we have spoken. I believe that that is where we are on common ground. But the Government are saying clearly that they have policies for—not on—various parts of the country. That is important, because I suspect that we differ on the importance of decentralisation to the Government's agenda. That is clear in the coalition agreement and in the manifestos on which both coalition parties fought the election. I am a little bit disappointed by some comments by Opposition Members, because, with respect, some of their arguments—although not those regarding specifics, which were useful—were deeply old fashioned and harked back to failed solutions. I genuinely do not believe that the way forward is to rehash failed solutions.

It is not always about having a plethora of interventions, programmes and agencies to take things forward and help. As my hon. Friend the Member for Solihull (Lorely Burt) said, it is often as much about what the Government do not do and about their giving people freedom and opportunity to seize the initiative.

Ian Austin: Which businesses in the west midlands have told the Minister that the RDA should be scrapped?

Robert Neill: I will mention the RDA in a moment. I am sorry that the hon. Gentleman continues to live in the past. His speech, as Opposition spokesman, was simply a defence of all that went before. It was a Bourbon speech, with respect, pretending that nothing had changed. But things have changed. Whatever the good intentions behind some interventions, the sad fact is that, in many respects, they were not delivering.

We have touched briefly on housing. The fact is that the top-down regional strategies were not delivering the housing that people in the west midlands and other parts of the country need. As a consequence, at the end of the previous Government's period in office there were fewer housing starts than in any peacetime period since 1926.

Ian Austin: There was a recession.

Robert Neill: The hon. Gentleman cannot go on blaming the recession. That is a fantasy land. The Opposition like to think that a recession walked in and destroyed everything. No. They mucked up on their watch. The people of this country, including those in the west midlands, are paying the price for the previous Government's incompetence.

Robert Flello: I invite the hon. Gentleman to Stoke-on-Trent South—specifically, to what used to be known as Coalville and is now known as Weston Heights—where he will see a fantastic housing success story that ground to a halt because the investment also ground to a halt.

Robert Neill: That is why the coalition has made it clear that getting the economy back on a safe track has to be central to what we do. There is a risk that, unless one gets to grips with the deficit of £156 billion, we will not have an economic base enabling us to take forward the initiatives that we all wish to see and which unite people from all parties. We disagree about the remedies, but the need to make some reductions in spending programmes, which have been mentioned, goes back directly—I am sorry to have to say it—to the previous Government's failure to tackle the deficit. I cannot accept the proposition advanced by some people, however sincerely, that the solution is to carry on spending when the country is already mired in debt. I do not believe that that would serve anyone.

Let me return to specific points raised in this debate. Against the context that I have mentioned, the answer is to unlock initiative, partnership and co-operation. The point was well made by my hon. Friend the Member for Solihull that there is no reason to assume that a one-size-fits-all approach will automatically meet all the needs and requirements of such a diverse area as the west midlands. We take the view, as we always have done, that Government office regions frequently do not represent the natural economic units, which may be a much better basis for economic collaboration. That is why we have said that we will not rigidly use those regions as the basis for regional development agencies or Government office interventions, but will instead let the people on the ground, who know their area best, come forward with ideas about the way forward.

I am pleased that some nine proposals have been submitted for local economic partnerships from local authorities and business in the west midlands, in a number of configurations. I can say to the hon. Member for Stoke-on-Trent North (Joan Walley), who mentioned that, as well as other matters, that a Stoke and Staffordshire LEP has been proposed. Those proposals will be evaluated by my right hon. and hon. Friends who are responsible for such matters and they will consider the best way to go forward, as my hon. Friend the Member for Solihull said.

There has been a positive and rich response from business and local authorities in the west midlands. I am not as disdainful as the hon. Member for Dudley North (Ian Austin) is of local initiative. The answer does not always lie in sneering at the little people and in the big battalions. Often, local initiative is likely to get more focused results. That is why we have confirmed the abolition of the regional development agencies, along with a plethora of top-down machinery of which they were a part. Although I, too, recognise good work done in individual cases by such agencies, that does not justify the highly centralised remit of which they were part. I want to make some other points, but I shall give way one last time to the hon. Gentleman.

Ian Austin: At no time did I argue that local initiative does not matter. The RDAs were based on local people putting proposals to them, just as local people will now put proposals to Whitehall. But let us set that to one side for a moment. If the RDAs were such a failure, as the hon. Gentleman suggests, achieved nothing and need to be abolished, why is he retaining the one that serves his constituency here in London and getting rid of the ones that are much more needed and necessary in the west midlands?

Robert Neill: If the hon. Gentleman is going to make a bad point, he should at least make an accurate bad point. The fact is that that is not happening. First, the power is being given for the London Development Agency to be merged into the Greater London Authority, so it does not exist as an RDA. Secondly, it has democratic accountability to a directly elected Mayor of London, which is not the case elsewhere. We are, of course, extending to major cities such as Birmingham and Coventry the ability to have a democratically elected mayor. If the hon. Gentleman will forgive me for saying so, I will not take any lectures from him on that issue.

Richard Burden: I realise that the Minister is short of time. If he is not able to cover my points now, will he please write to hon. Members present? First, will he confirm the figures that I gave on the budgets for the RDAs compared with those for the LEPs? Secondly, do the budgets for LEPs include staffing or are local authorities meant to compete for a staffing budget in respect of other front-line services? Thirdly, will he list the programmes run by the RDA and say what will happen to them, whether decisions on them will be made by central Government and LEPs and whether they will be scrapped?

Robert Neill: I will do my best. A number of those matters, as the hon. Gentleman will appreciate, are under review in the spending round. Once we are in a position to do so, I will ensure that that information is made available.

It is important to stress that this Government are committed to assisting areas such as the west midlands, where private sector employment and growth declined

[Robert Neill]

seriously, with the regional growth fund. We have made a clear commitment to proceeding with Birmingham New Street station, which is a key piece of transport infrastructure, and we have made the key commitment to High Speed 2. Those major investments will make a real difference to the economy of that area. Local authorities and airport operators are discussing funding arrangements in relation to the extension of Birmingham airport. Those positive commitments to infrastructure are likely to have a far greater long-term effect on the people of the west midlands than a plethora of institutional initiatives. That is important.

I am conscious of the need for local authorities to work together constructively, because their co-operating is important. We will consider that matter when evaluating the various bids together. The key thing is that there should be a bottom-up process based on local knowledge and incentives, rather than the other way round.

The city of Birmingham was represented in the past by Joseph Chamberlain. He would be sad that there is not greater faith—at least, not in the Opposition Front-Bench spokesman—in the ability of the people of Birmingham and its neighbours to come together and find a way forward to deal with their own challenges and to find their own solutions. We have faith in the people of the west midlands. Joseph Chamberlain would have thoroughly approved of the stance and the philosophy underpinning the Government's approach.

Given that time is short, I will deal with the specifics that hon. Members have raised in correspondence, as is increasingly the normal practice in such time-limited debates.

Small Businesses

11 am

Jeremy Lefroy (Stafford) (Con): It is a great pleasure, Mr. Hollobone, to speak under your chairmanship during my first debate in Westminster Hall, and I welcome you to the Chair.

The Government clearly have a great interest in the subject of this debate. The excellent Green Paper, "Financing a Private Sector Recovery", which was published in July, states that

"the ability of business to access finance will play a key part in determining the shape and sustainability of the recovery."

The recovery depends on the two issues that are of most concern in the economy—reducing unemployment and improving Government finances—so it is clear that businesses' access to finance is of the utmost importance. Such access is vital for all businesses, so I shall explain why I am concentrating on small businesses in this debate. I am speaking broadly of those to which the Green Paper refers as small and medium-sized enterprises with a turnover of below £25 million a year.

The first reason is that although most businesses experience difficulty in raising finance at some stage, SMEs, as the Green Paper states,

"may face more of a challenge given their reliance on bank lending, and the fact that they have historically faced greater challenges accessing external finance."

The Green Paper also points out that the question of whether existing Government schemes are

"sufficient to ensure that finance is available to SMEs as confidence recovers and demand revives is of central importance."

The second reason is the importance of SMEs to our economy. There are 4.8 million of them, and they account for more than 50% of private sector employment and turnover. Those statistics alone show that SMEs are likely to have the most impact on creating jobs and restoring public finances.

The third reason is that SMEs and especially new businesses are likely to produce the best return in the number of jobs created for the available finance. Estimates of the capital cost of job creation are difficult to come by, and clearly they vary from sector to sector, but there are examples of funds making loans to small businesses that have shown over many years that they can create a job with a loan—not a grant—of as little as £4,000 in fixed and working capital. The cost to the state of one person out of work is, at a conservative estimate, at least £5,000 a year. That money serves only to increase our burgeoning national debt and gives nothing in return to the recipient or the state. I am sure that any Government, especially one who have shown in the Green Paper such welcome clarity in their analysis, would be keen to ensure that such funds, which provide such an excellent rate of return to society, are given every encouragement and incentive to flourish. I shall return to that.

I must establish some facts, and I shall start with the banks. I have obtained figures from four major high street banks and the following points emerge. First, utilisation of existing bank facilities is as low as 44% in one major high street bank, and a total of £45 billion of unused capacity in another.

Mr Brian Binley (Northampton South) (Con): I congratulate my hon. Friend on obtaining this important debate. He rightly said that the matter is vital to budget

strategy. My concern emanates from access to capital becoming more difficult. All the facts tell us that that has become more difficult over the past 12 months, and that is not helpful. At the same time, Government bodies, particularly G20, are piling desire on banks to build up their capital asset base—by £130 billion in the case of G20—and that affects their ability to lend. Would it be right to ease that pressure at this time, and is it not more important to ensure that small businesses have working capital to enable the number of jobs to increase?

Jeremy Lefroy: My hon. Friend makes some important points. He is one of the most expert Members in this subject, and I agree with him. It is important to increase capital and the banks are doing so. Their total profit in the past year was £15 billion, so they are gradually increasing capital, particularly as some are not paying dividends. But financing the recovery is of greater long-term interest, not only to the nation, but to the banks, and I entirely support what my hon. Friend said.

Another point arising from the survey of banks is that businesses are currently repaying debt rather than borrowing more. One bank made a net repayment of £1.4 billion during the last quarter, so money is coming out of the small business sector rather than going into it. Banks have also increased their lending to all sizes of company, including SMEs, and one reported that lending to SMEs was up by 38% during the past eight months, albeit to only £1.4 billion. Another lent £10.9 billion to SMEs during the 12 months to March 2010, and approved 80% of applicants.

That is the story from the banks' perspective. The picture is of some increase in lending to SMEs, combined with a cautious approach by businesses to borrowing, with many reducing borrowing rather seeking an increase. From their point of view, there does not seem to be a major problem with capacity. However, a survey in February by the Institute of Directors—I declare an interest as I am a member—paints a somewhat different picture, because 57% of directors said that their application for finance had been rejected by their bank and 83% of those who were declined for bank finance were not offered information on the Government's enterprise finance guarantee scheme. That worries me.

Tellingly, one in five businesses which said that they needed additional capital did not investigate bank loans or overdrafts because they believed that they would be declined, saddled with disproportionately high costs or required to comply with requests for security that they did not have.

Lorely Burt (Solihull) (LD): The hon. Gentleman is making some powerful points. Does he agree that one reason why companies are reticent about approaching banks is the exorbitantly high rates that they are charging in interest and administration fees? The five biggest banks made £15 billion in the first half of this year. Are not the rates that they are charging part of the problem? Many companies are repaying loans because they cannot afford to hang on to them.

Jeremy Lefroy: My hon. Friend makes a powerful point, and I am sure that she has received many representations from her constituents about the matter. I totally agree with her. The problem is perhaps not so much interest rates, some of which have come down to reasonably low levels, although not all, but the charges. I have heard of charges being trebled. I raised the point with the Minister in the House, and he said in his powerful reply that he would not put up with that and would speak to banks if hon. Members contacted him with representations. I have done so, and I am sure that other hon. Members would like to do so. It is not acceptable for banks to use a shortage of credit as an opportunity to hike up charges, as some have done.

The picture is of some increase in bank lending, but the survey from the Institute of Directors paints a rather different one. Comparing data with a survey in 2001 shows that the number of those surveyed who were financing their businesses through bank loans or overdrafts had declined from 85% to 64%, with 20% now financing their business to some extent through credit cards, which is unsustainable.

The annual survey by the Federation of Small Businesses —again, I must declare an interest because a company of which I am a director is a member—is even starker. Of more than 10,000 who were surveyed, 31% said that fairer bank lending would be key to improving their prospects. The FSB concludes that

> "SMEs have lost confidence in the banking sector."

It pushes for greater competition, including the creation of a post bank, which I have long supported.

Karen Bradley (Staffordshire Moorlands) (Con): I congratulate my hon. Friend on securing the debate. I want to add to the anecdotal evidence something about businesses in Staffordshire Moorlands. A number of businesses have contacted me and two cases in particular are pertinent to the debate. One concerns a builder of affordable housing that is unable to obtain bank finance to build the affordable housing that we need so desperately in north Staffordshire. Another case is a small retailer that stocks stoves and Agas. It cannot expand to take on more staff because it desperately needs new premises but is unable to obtain them due to lack of bank finance. I hope that the Minister will address that point when responding to the debate.

Jeremy Lefroy: I am grateful to my hon. Friend for that contribution; I have come across the same problems in my constituency and I will later provide some suggestions about how things can be improved. Hon. Members from all parties have an important role to play because there seems to be a disconnect between businesses and the banks. Sometimes, businesses find that their only source of redress is to go to their Member of Parliament and ask them to talk with the banks on their behalf. I heard of one case—I can hardly believe it—where a bank said that it would be more likely to lend to a business if there were a letter from the local MP. I do not think that MPs are in the business of guaranteeing bank loans of behalf of their constituents. I cannot remember the name of the hon. Member who mentioned that case to me yesterday, but perhaps he or she is in the Chamber and can elucidate further.

The Green Paper quotes evidence that in 2009, 78% of small and medium-sized enterprises managed to obtain some finance from the first source that they approached, which in most cases was the bank. However, that may have been through the use of credit cards or consumer overdrafts. The picture is somewhat confused, but after considering the facts, I believe that credit is

[Jeremy Lefroy]

beginning to flow to established companies, including SMEs with a reasonable track record. Young businesses often find it difficult to access the finance that they need in order to grow, unless they persevere or can offer reasonable security. As my hon. Friend the Member for Solihull (Lorely Burt) said, such businesses often find that the costs rise through hiked-up charges.

Anne Marie Morris (Newton Abbot) (Con): I agree with my hon. Friend; he makes some good points. In my constituency, there are a number of individuals who would like to start up a business, and I am not sure that we have really looked at that issue. Such people find it even more difficult to get access to funding. Some of the high street banks—Barclays is a case in point—have come up with new ideas and will lend money even to those who have been bankrupt in the past. However, that does not seem to be making a difference to new businesses, and I would be grateful if the Minister addressed that problem as it is a key issue.

Jeremy Lefroy: My hon. Friend makes a powerful point that I will address in a moment. I entirely agree with her point about access to finance for new businesses. I conclude that in general, new businesses do not consider approaching a bank because they believe that it will be a waste of time or that they have only a small chance of success.

David Simpson (Upper Bann) (DUP): I congratulate the hon. Gentleman on securing this important debate. Does he agree that one thing that would help small businesses is the removal of bureaucracy and red tape? Small businesses are hands-on businesses and do not have the time to deal with paperwork. I believe that such a move would assist the small business sector.

All hon. Members present in the Chamber will have received letters from different constituents and companies. It is one thing for banks to be prudent in lending, but they are being draconian and that makes it impossible for small businesses to start up. We live in the real world, but the banks do not seem to, and I do not believe that the Government have any influence over them.

Jeremy Lefroy: The hon. Gentleman makes two powerful points. The second point is true; as someone involved in small business for many years, I have been on the receiving end of that kind of draconian attitude many times—although not every time, I hasten to add. I am sure that the Minister will want to say something about red tape. I, too, have spent many late hours going through the red tape for my business, after having spent the rest of the day trying to make some money. Whatever the truth—it probably lies somewhere in between all the figures provided—it is clear that a substantial number of SMEs approach banks but do not obtain the funding that they need to maintain or expand their business.

In my constituency, I have seen the difficulty that farmers are finding in business diversification. Money is pouring in to help farmers buy land or get involved in agricultural activities, but they receive a limited response from the banks for the laudable process of rural diversification, which will create more jobs in that area.

It is likely that there are some people not yet in business who wish to start up on their own. However, as my hon. Friend the Member for Newton Abbot (Anne Marie Morris) mentioned, they might find it even harder to obtain that funding, perhaps because they have been made redundant. There might be good reasons for banks to refuse applications, and they must be confident that they will receive their money back. However, anecdotal evidence from my constituents—as, I am sure, from those of all hon. Members in the Chamber—suggests that banks are unwilling to take even the smallest risk if they find it difficult to assess viability, which is often the case with new and young businesses.

Fiona Bruce (Congleton) (Con): My hon. Friend makes an excellent point, and I declare an interest in this debate as someone who has run a small business for over 20 years. A linked issue is the shortage of skilled employees across a range of businesses, which hampers their development. For example, I know from my own business that it is difficult to recruit legal secretaries. Businesses in my constituency claim that they cannot recruit engineering staff or that they need scientific staff. There is a small, green technology business in my constituency, based in Middlewich. It has about 30 staff who convert used cooking oils to diesel but it cannot recruit people with those skills. It is proud that it is training up young men who were stacking shelves at the local supermarket but are now becoming lab technicians. Nevertheless, the cost of training skilled staff is a disproportionate burden on small businesses. That is a funding challenge because finance for that training cannot be obtained from banks. It is not like the purchase of property where some form of collateral can be offered, but the country desperately needs such investment. If we are to recover economic health and well-being, we need an increased skilled work force and at the moment we are not providing the funding for that. I ask the Minister to look urgently at that matter because it is not easy for a small business to obtain funding from a bank for that purpose.

Jeremy Lefroy: I am grateful to my hon. Friend for her contribution. I had the pleasure of working with her on a training course in Rwanda one month ago, so I know how expert she is on the subject of training, and how much she knows about it. Her words must be taken extremely seriously.

The Government must step in on the issue of small business finance—indeed, they have already intervened. Since 1981, there has been a small loans guarantee scheme. The previous Government set up the enterprise finance guarantee in January 2009, and the current Government committed an additional £200 million in the June Budget. The public often demand evidence of cross-party consensus in the national interest, and this issue provides a fine example of that.

In his response, I would be grateful if the Minister answered questions on the enterprise finance guarantee, and told us how he assesses its performance to date. He is no doubt aware that the Institute of Chartered Accountants in England and Wales—of which I am a member—has called for the scheme to become more like the former small loans guarantee scheme in its design and operation. I would be interested to hear his views on that.

If a loan guarantee scheme proves successful and pays its way, it needs to be expanded further and rapidly at this critical time, so that as many SMEs as possible can be assisted. I would be grateful for the Minister's views on that. Finally, on bank lending, what progress are the Government making to bring together banks and small business representatives to ensure that instead of the stand-off that we appear to have at the moment, we have genuine co-operation in our country's most vital interests?

Andrew Griffiths (Burton) (Con): I thank my hon. Friend for organising the debate. It is testament to his hard work and diligence that we are all here, and I think that we are getting to the crux of the matter. May I raise the flag for engineering, as someone who comes from a small engineering family business? There are a lot of concerns in my constituency in relation to manufacturing. I am lucky enough to have in my constituency a couple of large manufacturing businesses. They tell me that they see the green shoots—they see business slowly improving—and they want to place orders with local businesses. They want to buy British and they want to use local suppliers, but they are finding that there is a major problem with the supply chain. Companies that they have used in the past or new companies just are not able or are unwilling to take the risk in order to meet the potential orders. They are saying that those businesses have either downscaled—they have cut shifts and lost staff—or they just are not prepared to take the risk, or the banks, more importantly, are not prepared to take the risk, that the order that might be there tomorrow or next month will be there in six months' time. That problem is having a major impact. It is slowing things down; there is a drag effect on manufacturing in particular. If we could get that supply of finance to small manufacturing businesses, that would make a massive impact.

Jeremy Lefroy: My hon. Friend makes extremely important points; he has great experience in this field. I feel disappointed at the situation. We are a trading nation; our history is as a trading nation. That is how Britain became wealthy over the centuries. Only by taking risks, particularly through the merchant banking of the 19th and 20th centuries, were we able to finance it, but I do not see that spirit alive in our banking sector as much I would like to. I long to see the formation of some new British merchant banks. All our old ones were largely taken over and are now part of massive conglomerates. I would like to see young entrepreneurs come into the City—indeed, I would like to see this not just in the City of London but all over—set up merchant banks and really take some risks and make a difference to the country, because I believe that they can do that and it might help firms such as the ones to which my hon. Friend referred.

The other major potential source of funding—apart from grants, where organisations such as the Prince's Trust in particular have done fine work over many years—is of equal importance. I am referring to equity. That is where SMEs miss out. Only 2% have access to equity finance. The Green Paper gives several reasons why that is the case: a reluctance to cede ownership, unsuitable business models, poor corporate governance and businesses that are in themselves not ready for investment. I would add further reasons. First, there is the work involved in making an investment compared with the actual amount invested. Looking at a proposal for £20,000 can require as much work as looking at one for £200,000 or even £2 million. I ask the Minister to consider how to make it easier and less costly for small businesses to raise equity capital.

Secondly, there is a lack of suitable investment vehicles. I hope that the Government will give serious attention to that. Thirdly, the overall tax treatment of investment in new and young businesses puts them at somewhat of a disadvantage in attracting funds compared with larger companies. It is ironic that the companies that least need funds from investors are those that receive the most favourable tax treatment through being eligible for inclusion in pension portfolios. There are tax incentives for funds investing in smaller non-quoted companies—in particular, venture capital trusts—but they are usually available only to the wealthy investor, and the funds themselves will tend to invest in reasonably well established companies.

I am not saying that there is an enormous amount of money out there just waiting for a home in new businesses or SMEs, but we do not need an enormous amount. Let me take an example from my own county of Staffordshire. The Michelin Development fund estimates that it has helped to create 1,400 jobs over the years through a revolving fund of just £3 million—a revolving fund, not grants. That is just over £2,000 a job. The North Staffordshire Risk Capital Fund and the Black Country Reinvestment Society, both of which operate in my constituency, also help to preserve or generate jobs cheaply. Those funds are not equity funds. They mainly use loans, but they do have some characteristics of equity. They are unsecured and, in some cases, they may ask for a premium return based on performance. Those funds overcome the obstacle of the ratio of time taken to assess proposals to the investment amount by using local experts, who provide their time voluntarily or whose cost is covered by grants or the return on the investment. I would like many more such funds to be set up around the country. Indeed, I believe that the new local enterprise partnerships could make supporting them a priority. Local companies and individuals can use them to invest directly in the future of their area, just as the funds in Staffordshire and elsewhere have done.

It may be argued that such a model is not sustainable because it depends on goodwill or some financial support from the private sector or Government, but those who are quick to challenge explicit assistance are sometimes reluctant to acknowledge implicit assistance—in particular, the substantial amount of pension tax relief that continues to be granted annually to higher rate taxpayers, despite recent restrictions, and which is invested very largely in companies comprising just 30% of the private sector, in property or in gilts.

I respectfully ask the Minister to examine ways to unlock equity funding from pension funds for small businesses, which most need the capital. That could result in dozens of locally based funds springing up around the country, allowing people to contribute their time and expertise to the future of their communities. That would be yet another example of the big society at work in a very practical way.

Andrew Griffiths: My hon. Friend touches on the big society, and one of the things that people in my constituency are quite excited about is the prospect of the green

[Andrew Griffiths]

bank. We have not heard much about that today, but perhaps my hon. Friend the Minister will touch on it a bit more. There is a business in Burton called Regenerco, which is working with businesses across the country to install solar panels free of charge on those businesses in return for a share of the profit from the energy produced. That is a brilliant business. It is low carbon. It is doing its bit for the environment and for the economy. However, like many other businesses, it is keen to get access to further finance. Many people are waiting with bated breath to see how the green bank will operate and how it can unlock some of the potential in those new green businesses. Perhaps we shall hear more from the Minister about how the green bank will work, but I am sure that my hon. Friend the Member for Stafford (Jeremy Lefroy) will agree with me that it has the potential to help some of those fledgling businesses.

Jeremy Lefroy: I am most grateful to my hon. Friend for that intervention. I look forward to hearing from the Minister as well, because I, too, am excited by the concept of the green bank and would like to see it in operation as soon as possible.

Will the Minister also consider whether there is a need to increase the sums invested in Capital for Enterprise? The last figures that I have seen indicate that the total invested by the various funds in UK equity is £566 million, while total SME financing was £1.1 billion, including loans. Those figures may be a little out of date, but in contrast, the total invested in equity in developing countries by the Government-owned Commonwealth Development Corporation is £2.7 billion—well over twice as much. What is right for developing countries is surely right for the UK.

There is also a very important role for the banks to play. Just as the major clearing banks established in 1945 the Industrial and Commercial Finance Corporation—later known as Investors in Industry and finally 3i—is it perhaps not time for them to come together again and form an ICFC mark 2 to invest equity in the smallest businesses, if not directly, for reasons of cost, then through local funds? The major banks have the ability, working together through an ICFC mark 2, to transform the availability of equity funding for small businesses. As the taxpayer is a major shareholder in two of them, I ask the Minister to discuss that with them.

I have been able to give only the briefest of surveys of the current situation regarding the finance of small businesses. I am sure that hon. Members following me will help to fill out the picture with the benefit of their experience. I am no expert in this matter, but what I do have is a conviction that unless we get this right, we will not be able to tackle the twin evils of unemployment and the excessive budget deficit.

The quality of the Green Paper is clear evidence of the thought being given to this subject, but as with many of my colleagues who entered Parliament this year, my background in business makes me rather impatient about words that are not followed up with appropriate action. The Government have already shown themselves willing and able to take difficult but necessary decisions, and I have no doubt that they will do the same to ensure that small business will indeed have access to finance so that our economic recovery is strong and sustained.

Several hon. Members *rose*—

Mr Philip Hollobone (in the Chair): Four people are seeking to catch my eye, two of whom have written to Mr Speaker. I will ask those who have written to speak first. No member of the Opposition has stood up to indicate that they want to speak, so those contributing to the debate will come purely from the Government side. I propose to call the winding-up speeches at 12.10 pm, and the debate is due to finish at 12.30 pm, so Members can work out what would be a good time to speak for to allow colleagues to get in.

11.30 am

Mr Marcus Jones (Nuneaton) (Con): I thank you, Mr Hollobone, for allowing me to speak in this vital debate. I also thank my hon. Friend the Member for Stafford (Jeremy Lefroy) for securing it and I congratulate him on doing so. He gave a comprehensive speech and made some powerful and pertinent points, which I hope the Minister will take on board. We should not underestimate the importance of the debate. This is one of the most important issues facing our economy. It is imperative that we look for ways to achieve sustainable growth to enable us to rebalance our economy, reduce the budget deficit and pay off the huge debt that we inherited after 13 years of Labour Government.

To achieve that fundamental goal, we must ensure that small businesses grow and prosper and that new jobs are created. New jobs are vital to constituencies such as mine. Indeed, new employment prospects are desperately needed across the whole of the west midlands, which has suffered particularly badly during the recession. Small and medium-sized enterprises are vital to rebalancing our economy. We need to remind ourselves that they make up more than 59% of the private sector and 50% of private sector turnover. They also employ an estimated 13.7 million people, which is obviously a huge amount.

Two of the main drivers behind SMEs' need for finance are cash flow and investment, and the two issues are very much linked. Good cash flow makes business more sustainable; it makes it easier for firms to plan ahead and it gives them greater confidence to invest, thereby driving the creation of new jobs. Bad cash flow has the opposite effect, which is very negative. We often associate overcoming cash-flow problems with accessing credit. Before I mention the very pertinent issue of credit, however, let me turn to the other main impediments to good cash flow—payment terms and conditions of business.

The cash-flow issues faced by our small firms often have as much to do with the payment terms and conditions that they have to work with when dealing with big businesses and Government organisations as they do with banks. As a council leader in particularly difficult times, I was extremely pleased to be able to reduce payment terms to small businesses to 10 days in the depths of the recession. Even in these difficult times, when we must reduce public sector spending, the Government could consider supporting such an initiative, and I would like to know the Minister's thoughts on that.

In my constituency, we have second and third-tier manufacturers, which come under pressure to hold stocks over longer periods when dealing with large businesses. They also have problems because large businesses expect them to extend their terms of credit during tough times, which drastically reduces their cash flows.

Andrew Griffiths: I draw my hon. Friend's attention to a recent case in my constituency, where a large brewing firm unilaterally decided—with no negotiation or discussion—to extend its terms of credit from 30 to 90 days, which had a massive impact on some very small businesses. We talk a lot about corporate responsibility, and although larger businesses need to operate in a tough economic climate, they also have a responsibility to smaller supply businesses, which often rely on tight terms of credit to survive.

Mr Jones: I thank my hon. Friend for his comments. He is absolutely right. The same comments are coming from small businesses in my constituency.

Karen Bradley: I apologise for intervening so soon after the last intervention, but I wanted want to say something about Her Majesty's Revenue and Customs, which is another area of Government intervention that could very much help small businesses with their cash flows. I have many letters in my postbag from small businesses that are struggling to meet HMRC's demands to pay very large bills, particularly for VAT. If HMRC could in some way help such businesses over this difficult period in the recession, I am sure that that would be much appreciated.

Mr Jones: I thank my hon. Friend for her comments, and I will be interested to hear the Minister's views about HMRC. I, too, have heard of small firms in my constituency struggling to balance their cash flow when they have large VAT bills to honour.

We must acknowledge that we perhaps need to exert some influence on larger businesses over terms of credit and, as my hon. Friend the Member for Burton (Andrew Griffiths) put it, showing some social responsibility. However, we also need to acknowledge that the Government are limited in how far they can interfere with the way in which businesses are run. In addition, we need to be mindful of the global competitiveness of larger businesses in the modern day.

Will the Minister consider what the Government can do to encourage better payment terms for our small businesses? The extension of the credit terms and conditions of small businesses has inevitable consequences. It is vital that many firms be able immediately to access a bank overdraft when faced with the measures used by larger businesses. However, evidence from my constituency suggests that banks can be unwilling to give such credit facilities, even to long-standing businesses with strong trading records, without demanding security in the form of the business owner's home, which is often quite an issue.

I have obtained information from the Forum of Private Business suggesting that interest rates on loans that are not secured against the business owner's property can often be double those on loans secured against commercial or residential property, and one of my colleagues alluded to that. The problem is that many business owners, and particularly long-standing ones, do not necessarily want to put their homes on the line, particularly if they are reaching retirement age and do not consider it worth taking the risk.

That is what happened in the case of a manufacturing business in my constituency that I heard from during the general election campaign. The firm has not been afforded the credit that it needs, even though it has a strong order book. It has been trading for 50 years and employs about six people, but it is on the verge of ceasing to trade. It will close the doors and sell its commercial property because that is a better proposition for the business's owner than keeping trading and employing people.

If such things keep happening, they will have an extremely negative effect, particularly in the engineering sector, where many small business owners are probably of a reasonable age, given the deteriorating uptake of new people into the industry. Many people will be in their late 50s or early 60s and might consider it better to close their firms than to keep going. That would have a very negative impact on what we are trying to achieve.

David Rutley (Macclesfield) (Con): My hon. Friend makes some excellent points about the way in which banks are treating small businesses, and we have heard other examples from my hon. Friend the Member for Staffordshire Moorlands (Karen Bradley). Things are getting quite out of hand, and we are seeing similar examples in Macclesfield. Does my hon. Friend the Member for Nuneaton (Mr Jones) agree that we should perhaps work more closely with the Federation of Small Businesses and other industry groups to gather data so that we can put extra pressure on the banks and use an evidence-based approach to demonstrate to the Government what is actually going on? There are a lot of ad hoc data flying around, and we need to get them into a more user-friendly form so that we can use evidenced-based approaches to show what banks are doing. When we have the data, we will be better able to put further pressure on the Government and the banks to provide greater support to small businesses. I do not know whether my hon. Friend agrees with that sentiment.

Mr Jones: I thank my hon. Friend for that intervention and agree with his sentiments. Later I shall talk about what I think is progress in that direction. I am sure that the Minister, who has had a lot to do, will be heartened by the quite positive comments I want to make.

As to firms in my constituency that have had problems with credit, I have been made aware of firms around the country whose credit facilities have been reviewed by banks at very short notice. Banks often vary overdraft terms without warning and dramatically increase loan rates at short notice, which makes it difficult for small businesses to respond. I have received figures from the Engineering Employers Federation that quantify those concerns. During the first quarter of this year the cost of finance increased for almost 35% of companies, whereas it decreased for only 3%. That is obviously difficult in the current economic climate. I fully understand that the banks are trying to repair their balance sheets, but at a time when we have the lowest interest rates in living memory, that seems counterproductive. It is no wonder that the number of complaints about banks by SMEs has risen in the past year by 119%. I am therefore heartened to see that, in their Green Paper "Financing a private sector recovery", the Government have started to make the banks reconsider their position slightly. That is after much talk from the previous Government about making banks lend to small business, all of which seems to have had little effect.

Justin Tomlinson (North Swindon) (Con): My hon. Friend has been making some excellent points, and I am sure that all of us will relate the various issues he has

[Justin Tomlinson]

raised to our constituencies and businesses. The holy grail for the banks seems to be to provide customer relationship managers. Does my hon. Friend feel that they will really be given the flexibility and authority to make decisions about lending money? Do they have applied business experience to enable them to make the right decisions?

Lorely Burt: The computer says no.

Mr Jones: I thank my hon. Friend—and I hear the comment by my hon. Friend the Member for Solihull (Lorely Burt), making that very point. Many business people, particularly those who have been in business a long time, feel that 20 or 30 years ago they could pop in to see the bank manager if they had a problem, and discuss their concerns and try to get over issues. Now it seems that a customer adviser or someone who is purportedly a bank manager taps a few figures into the computer and comes up with the right result—if the computer thinks that is right. That is a dangerous situation. It is difficult for our small businesses to survive.

Gavin Williamson (South Staffordshire) (Con): Does my hon. Friend agree that banks take far too short-term a view of their investment in and support for businesses? What my hon. Friend the Member for Stafford (Jeremy Lefroy) said about banks investing in businesses—in equity—is relevant; it is about having a long-term vision of their future and supporting them so they can grow, much as banks do in Germany.

Mr Jones: I tend to agree; that is particularly the case for manufacturing, about which banks are taking a very short-term view.

It is positive that progress is happening, and a taskforce is being created by the six largest banks in the country. Until now that has been headed by Stephen Green. I understand that from today he has other responsibilities and I wish him well with those. The move is a positive one and I hope that the work of Mr Green and his colleagues will continue. I would like the Minister to explain how he will work with the taskforce and feed into it. There seem to be some positive noises about banks wanting to engage with Government and business to get over the problems.

Lorely Burt: Does my hon. Friend agree that a taskforce set up by banks to see why they are not lending is a tiny bit self-serving?

Mr Jones: That is obviously a risk if the banks are marking their own exam papers, but I have asked the Minister how the Government will interact with the taskforce, and I think that if we do that in the right, positive way and involve business organisations, we can end up with some positive outcomes. I am mindful that there have been many interventions in my speech and that other hon. Members will want to speak, so I shall try to cut my remarks a little short.

We and the Government are here to facilitate and improve the environment in which small businesses can flourish and employ people. That is what we all want, and I hope that the Government's new local enterprise partnerships will be more focused on doing that. My hon. Friend the Member for Stafford has alluded to schemes that the Government have been or could be involved with, and that is positive. I hope that the local enterprise partnerships will get involved with such schemes and that they will be a positive way to bring about solutions locally. Often such solutions work, in time, but businesses get frustrated by the fact that it takes so long to bring about schemes and to provide the relevant types of finance and help with financing; that has been a problem with the regional development agencies. Businesses often do not have that sort of time, for the reasons I have mentioned.

The Government are moving in the right direction, but hon. Members need to keep putting pressure on them to continue. I am sure that if the Government can motivate the banks and bring them together to work for the common good—although they obviously have their own commercial reasons to be in business—we shall have gone some way towards creating the enterprise culture that this country has so badly missed for so long, and which will reinvigorate our economy.

Several hon. Members *rose—*

Mr Philip Hollobone (in the Chair): We have 25 minutes until the winding-up speeches and three Back Benchers want to speak.

11.46 am

Lorely Burt (Solihull) (LD): I shall be brief because I know that colleagues want to contribute.

I was going to talk about Government schemes, but that area has been well covered by other hon. Members, so I shall confine my comments to privately run, independent schemes, to which I should like the Government to give some form of backing. I also want to talk about the banks.

The Funding Circle was launched on 13 August and it will be an interesting way for private investors to borrow, and to undercut the banks by several percentage points—by up to a quarter. That is a similar enterprise to Zopa, which has lent more than £90 million in the past five years. There is an element of risk, but it can be spread by investing in a number of different organisations, so I should like the Government to give that some blessing.

I also want to mention 3i. The point has already been made about investigating how we could support a similar type of organisation—a private equity group—to provide equity and debt finance to business, particularly small businesses.

My third suggestion was in the Liberal Democrat manifesto but does not seem to have made it into the coalition agreement: regional stock exchanges. Local investors want to invest in businesses that are local to them and to put money back into the prosperity of their region.

Gavin Williamson: The hon. Lady made a valuable point about private equity and perhaps regional stock exchanges, but the fundamental issue is that although private equity is one of the longest-term investors in the country, in that it has a five or six-year plan—that is going through the stock exchange—we want to consider modes of investment with a turnaround of not five or six years but 20 to 30 years, so that people invest for a sustained, long period and the small business can become

a medium-sized business and grow. I encourage the Minister to look at ways to do it. I do not quite have the answer, but obviously that is why I am not a Minister. I am sure that he has all the answers.

Lorely Burt: The hon. Gentleman makes a valid point. I, too, look forward to the Minister's response to that plea.

In August, the Bank of England reported that loans to small and medium-sized businesses had contracted by 2% year on year. Credit conditions are tighter for small business. Larger businesses can get out of that by refinancing on the bond market, but there are few places for small businesses to go. I referred earlier to the exorbitant rates that small businesses are being charged. I have come to the conclusion that there is a sort of cartel. I do not know whether that statement is libellous, but at least I said it in the House.

There are four main banks, and 90% of small businesses bank with the big four. The Federation of Small Businesses says that it wants to see more competition among the banks. Various attempts were made by Labour to get the banks to lend; they threatened them and said, "We are going to do some bank bashing if you don't comply," but none of that resulted in anything worth while. However, I do not believe it was through a lack of trying.

I have a solution for the Minister to consider. I call it the Lil-lets solution after a recent visit to the Lil-lets head office in my constituency. I have been visiting businesses to see how they are faring with the recession and to ask what the Government can do to release that stranglehold and create a better business environment for them. They said that banks are not lending more, and that even those with only half a brain would not borrow from banks if they could possibly avoid it because of the exorbitant rates, arrangement fees and other charges made by the banks.

The two directors of Lil-lets have a solution. We own 84% of the Royal Bank of Scotland. We also own a substantial proportion of Lloyds. Why not make RBS bring its rates down? The cartel agreement would thus not be valid. If one bank went to a lower rate, all the others would have to follow or they would become uncompetitive. General competition would improve, which would break the stranglehold agreement that seems to have evolved between the big four banks. It would create the sort of competitive environment needed particularly by small businesses, which need not only to borrow money but to borrow at a sustainable rate. That is the most important thing.

11.53 am

George Freeman (Mid Norfolk) (Con): I shall try to be brief. I welcome this debate and I thank my hon. Friend the Member for Stafford (Jeremy Lefroy) for initiating it. I welcome my hon. Friend the Minister; I know that the small business community will be delighted that we have a Front-Bench spokesman with experience of building a small business. I also welcome the Government's commitment to this vital area, both in the Chancellor's statement and in the centrality of their open-for-business commitment. I welcome the role of the Foreign and Commonwealth Office in driving trade around the world and the excellent July paper, and I support the comments of colleagues about microfinance.

Like a number of Members I came to the House after a career in small business. In my case, it was a rather specialist field. I spent 14 years in biotechnology venture capital, so rather than echo the excellent comments of others about general small business finance, I shall concentrate on the particular needs of technology companies, and the technology sector. Before doing so, I declare an interest in my business, 4D Biomedical, and in directorships of the Iceni fund at the Norwich research park and Elsoms seeds.

I shall make three principal comments. The first is about the potential of the UK technology and science sectors to drive SME growth, national economic growth and international competitiveness. There are three key exploding markets around the world. Some may wonder where growth in the UK economy might come from, but I suggest that we do not have far to look. They are food, biomedicine and the technologies that drive sustainable living. Given the world population and the rate of growth, those three markets are all set to explode over the next 10, 20 or 30 years.

We have the science and research base to lead in the technical solutions required to make that population growth sustainable. In my area of Cambridge and Norwich, but sadly not yet in my constituency, we have genuinely global world-class centres of excellence in biomedicine and food science and clean tech, of which the Minister is aware. My plea is that when considering the financing of small businesses in those sectors we do not overlook the importance of core research. We must ensure, in the forthcoming review of departmental spending, that we do what we can to protect the core research spending of our excellent world-class centres of science research, such as the John Innes centre at the Institute of Food Research.

My second point is about how the Government can encourage those important technology sectors. I know that the Minister has given a lot of thought to the subject. To their credit, the previous Government recognised the importance of the sector, but their approach was essentially flawed. It was that the Government know best; we had one initiative after another and we had the regional development agencies, and they created well-intentioned pots of money and schemes suggesting that everyone had it in them to be a biotech entrepreneur and that every region had potential, but we wasted a lot of money. I know that the Minister, when in Opposition, considered the matter closely. I suggest that our approach should be based on incentives, not initiatives. If we create the incentives that allow centres of excellence to grow and flourish, in which companies can invest, we will not need initiatives.

My third point—I accelerate rapidly to leave my hon. Friend the Member for Bedford (Richard Fuller) some time—is about specific financing difficulties. A number of colleagues have spoken of the banks, and I echo those comments. We clearly have a problem with bank regulation, the banks anticipating regulatory pressures to repair their balance sheets to the cost of small businesses. The latest figures show that bank lending to small businesses this year is again down by 6%. The big companies, of course, are fine, as they play in the international bond markets and have other options open to them.

We have a huge problem with the banks. My plea is that, as with the green investment bank, we consider all sorts of ways of promoting direct credit unions and

[George Freeman]

smaller new banks. I am aware of an initiative in Cambridge—I believe it is known as the boring bank of Cambridge. It is not intended to be an investment bank but will do straightforward borrowing and lending for good local businesses. There is a huge appetite locally, and many people would put their money into a local bank that supported local businesses. It could be a fiscal element to the big society.

I come now to the financing of the food chain in the technology sector. In my 14 years' experience, the banks are largely irrelevant to the financing of high-technology companies. It tends to be a cycle, with entrepreneurs taking a risk and putting their personal and family assets on the line, then high-risk angel investors putting in their expertise and often their money, and then specialist venture capital, corporate venture funds and sovereign wealth funds becoming involved. My plea is that we should recognise the importance of reinvesting personal and corporate wealth. I wonder whether we can do something through the tax regime to encourage such reinvestment. I was interested to note that the latest FSB survey of its members showed that only 28% of those who were borrowing rely on bank loans; 31% use their own savings and credit cards, and 24% retain profits, the latter two being the bigger element.

My last comment, which is for the Minister, is about the global potential of the Foreign and Commonwealth Office mission to unlock some strategic national partnerships. I cannot help but wonder about the potential of this country, in partnership with India, to drive a great innovation in agricultural productivity in India, using our historic strengths in agriculture and our links, not least the English language, with the Indian Government. Although my party believes principally in incentives rather than big government initiatives, there are some instances when only the Government can act. The Government could help to facilitate some interesting partnerships between British research institutes, British companies and overseas markets.

With that I shall close, leaving my hon. Friend the Member for Bedford and the Minister time to reply.

11.59 am

Richard Fuller (Bedford) (Con): I am indebted to my hon. Friends the Members for Solihull (Lorely Burt) and for Mid Norfolk (George Freeman) for being brief in their remarks because it means that I can avoid talking about financing for small businesses in the manner of "Just a Minute". I shall try to avoid deviation, repetition and whatever else I am supposed to avoid. I must declare an interest: I am chairman of a number of small businesses and a participant in a venture capital fund, all of which are in the Register of Members' Financial Interests. I must also declare an ailment: I have a very sore throat and so may cough at inappropriate moments. Although I do not want to make too much of a partisan point, I am intrigued by the absence of Opposition Members in the Chamber today. The debate is important to the well-being of constituents and to the future of our country. As many hon. Members have said, we welcome having a Minister in office who is such an extraordinarily good and knowledgeable friend of small businesses, and we hope that he will be a strong friend during his time in office.

To encourage the Minister in his endeavour to be a strong friend, may I make a couple of high-minded points? First, starting up a small business, whether it is for profit or it is a social enterprise, is one of the noblest endeavours that one can undertake. A person does not go into small business just because they want to get rich; often, they do not want to be rich at all. If one is running a social enterprise, being rich is not even on their map. People do it because there is something inside them. It may be creativity, drive and the sense of trying to create something for themselves, their family and their community. It is a noble endeavour, and it is an important endeavour to promote. The motivations of people who start up small businesses are important.

Secondly, it is a vital endeavour for our country. When it comes to employing the next generation of Britons, "there is no alternative"—to quote a former Prime Minister—to strengthening the small and medium-sized enterprises in our country. That is something that we sitting in this Chamber have a responsibility to do as we face the difficulties of the great recession and the responsibility of dragging our economy and country out of it. It is also the source of our long-run national opportunity. I want us to sell into those international markets and to take advantage of technological innovation, which is what my hon. Friend the Member for Mid Norfolk has been talking about. That will only come with those sparks of ingenuity or insights and with supporting our entrepreneurs and small-business people. I say to the Minister, please be brave, strong and radical.

Given that many comments today have been about how we can encourage and strengthen the banks to lend to small businesses, let me say this: "Don't bother." The banks are failing small businesses; they are not structured to understand the problems and they are not ready to provide the capital. Be bold and radical and find alternatives. Challenge the banks on that turf. Do not rely on them because it will be a waste of time and of another generation. When we seek finance, the banks often stand in our way. They are poor both in terms of availability and of the cost of finance. The administrative burden of securing even the smallest overdraft does not make any sense and that burden is increasing. The terms and conditions for small businesses to get started and then for when they get into trouble are just too much bother. Why try and ask the banks at all? Just gravitate a bit and improve their little bits over here and there, but look for alternatives. Hon. Members have encouraged the Minister to consider reviving the 3i model, which is an exceptionally good idea. We have talked about trying to find ways in which we can create community funds that tap into local people who want to support local businesses and tying that to the changes in local enterprise partnerships. In Bedford, we are ready to do that. Give us the encouragement to do it; we will stand up and do it in our local community. By providing competition to the banks that have failed our local businesses, we will find ways in which we can achieve the support that is needed to help our next generation of entrepreneurs and the creation of jobs in our economy.

12.4 pm

Ian Lucas (Wrexham) (Lab): It is a great pleasure to appear before you, Mrs Main. It has been a very interesting debate, so let me congratulate the hon. Member for Stafford (Jeremy Lefroy) on securing it and on provoking such reflective comments.

The Minister and I discussed this difficult matter when I was in government, but the whole subject has now moved on. In the context of the international banking crisis, it was clear that one of the most traumatic problems for businesses of all types was securing lending or investment on a consistent basis. Over the past two to three years, we have heard massive exhortations about the banks from all parties. The former Chancellor, the present Chancellor and the Secretary of State for Business, Innovation and Skills have all made it clear that they are dissatisfied with the investment decisions that the banks have made. In our own constituencies, we are seeing businesses that are having great difficulties. If anything, the problem of securing investment from banks may be getting even worse. In the past, the Government have taken steps to address the issues. The enterprise finance guarantee scheme has been relatively successful, and I am pleased that the Government took the decision to extend it in the Budget. I do not know what has happened to the major loan guarantee scheme that was referred to in the coalition agreement. Perhaps it morphed into the enterprise finance guarantee extension. I am pleased to see the extension of a scheme that has helped many businesses in my own constituency.

An important concession that was made by the previous Government concerned VAT and payments to Her Majesty's Revenue and Customs. It was a massive extension of support by Government, and it cost money. Part of the reason behind the size of the deficit is that the Government decided to support business to ensure that unemployment was lower than it was in the 1980s and 1990s. That was the correct decision at that time. It is interesting to note that some of the suggestions today from the Government Benches involve Government investment to support small businesses. We still have massive problems with the banks.

Dr William McCrea (South Antrim) (DUP): Does the hon. Gentleman not agree that many of these small and medium-sized businesses are viable? They are facing challenges that are not of their own making. Many were encouraged to take loans by the very banks that pulled the rug from under them when they got the first sign of the recession. Surely it is criminal to destroy viable businesses at a time of such crisis?

Ian Lucas: The hon. Gentleman is absolutely right. What is vexing is when businesses that have had a long-term relationship with a bank suddenly discover that the terms and conditions that are being applied by that bank are completely changed to their detriment. There is not the local relationship that there should be. When I ran my own small business—yes, it does happen on the Labour Benches sometimes—I had a long-term relationship with the bank that helped finance my business, and that was very important.

What has been interesting about this debate is that rather than just banging the banks—we have done that to a certain extent—we have begun to move on and to talk about alternative methods of finance. I do not think that we have done that sufficiently in the past. I hope that in a different governmental environment, in which the present Government are seeing just how difficult it is to find a solution to this problem, we look at alternative ways of financing businesses. I think that we have heard some interesting observations today on that issue in what, as I have said already, has been a genuinely positive and reflective debate.

One of the important lessons that we need to learn from the economic crisis of the past few years is that certain businesses actually prospered during it. We need to look at why they did so. When I was in government, I met, for example, representatives of the John Lewis Partnership and of the Co-operative. They are organisations that did very well in the past few years, because they had business models that were apart from the norm and that functioned on a different basis. It seemed to me that they functioned on a more stable basis and, to use a phrase that I have heard a number of times in this debate, on a longer-term basis. I think that we could learn from those organisations.

I also think that we need to reflect on the experience of those organisations and be much more aware of the possibility of businesses being run in a different way from how they have perhaps been run in the past. They could have a different model, a different form of ownership and a longer-term approach. I think that those businesses would be much less susceptible to the bad decisions that we are so often seeing from banks, decisions that are detrimentally affecting the finances of small businesses.

My perception is that banks do not have any idea about alternative business models. Earlier in my life, I was a solicitor and when I was taught about business, the two models were, first, partnerships or sole traders and, secondly, companies. There was very little discussion of alternative business models, which I think is a great failing for perhaps the legal profession, the accountancy profession and, I strongly suspect, the banking profession. We need to explore alternative business models as part of a process of looking at financing business in a different way.

Another interesting point that has been made today is that, within that long-term context, we should look at how pension funds, for example, can support business on a very long-term basis. All of us have pensions and have funds that are built up during many years within those pension funds. However, it seems to me that most of us have very little knowledge of how that money is invested and that most of us do not take as much interest in that investment as we perhaps ought to. As individuals or working with others within our communities, we ourselves could take steps to invest in the types of business that will really provide the bedrock support for our community.

Stephen McPartland (Stevenage) (Con): Does the hon. Gentleman agree that, as my hon. Friend the Member for Bedford (Richard Fuller) stated earlier, part of the problem with the banks at the moment is the complexity of their organisation? What has happened during the last decade is that the banks have become so large and so complex that their focus has moved away from lending to small businesses, and their profits are focused in a different manner. The real crux of the problem now is that they are not lending to small businesses. All small businesses want is access to credit, reasonable terms and conditions for access to that credit and prompt payment of invoices. So I do not think that we should encourage small businesses to change how they operate. It is more about encouraging the banks to focus more on small businesses, in terms of their core lending to those organisations.

Ian Lucas: I am not sure that I agree with that observation, because the thrust of what I am saying is that perhaps we ought to move away from the banks

[Ian Lucas]

when it comes to financing businesses. Of course, it is true that there will always be a role for banks, but we should be aware of the possibility of alternative models, because it seems to me that the banking sector is not that interested in small business. It certainly does not seem to be providing the support locally to small business and if the big banks are not interested in small business, small business should perhaps look for investment from someone who is interested. We need to provide structures that will support the development of business over a long term and I hope that those structures could be provided by some alternative sources of finance, which have been referred to in this debate.

Of course, one of the major problems in the banking sector is the lack of effective competition between the big banks, which seems to be one of these problems that is very difficult to solve. I would be interested to know about the time scale that is going to be applied to the commission that is looking into these subjects, including when the commission is likely to report.

We have a finance system that needs to change. I think that there is a willingness among people to make longer-term investments, provided of course that the security is there for the investments that are made. In the longer term, it may be that the Government will have a more important role, in ensuring that, if we are using alternative models for investment, there is a guarantee mechanism provided by the Government, so that they support—with their hand in their pocket—those who make the publicly-spirited investments in the businesses that will provide jobs and prosperity for the UK in the future.

Clearly, we have had a seismic shock to the financial system in the past three years. It has been a shock in historic terms and not only in the UK, of course, but right across the world. The banking system and the regulatory system were found gravely wanting during that period. Now that we have gone through a period in which we have held the banks very much responsible for what has happened and we are seeing that they are not able to respond to the necessary moves towards growth that are being made, we need to think in a different way—I think that many Members have done so in this debate already—about how we take forward investment in businesses that will grow the economy in the UK in the years to come, providing the jobs that we all want for our constituents. I think that many of the ideas that we have heard today are an interesting initial step and I hope that we will continue to take more steps in the months and years to come.

12.17 pm

The Minister of State, Department for Business, Innovation and Skills (Mr Mark Prisk): I begin by congratulating my hon. Friend the Member for Stafford (Jeremy Lefroy) not only on securing this debate but on providing an informed and informative contribution that ranged over the wider issues—from debt through to equity—showing how we can help small businesses, which is vital given their crucial role in the economy.

I also want to say how refreshing it has been to take part in a debate in which nearly every Member has had to declare an interest. That is often seen as a negative thing, but I regard it as wholly positive when Members bring to the Chamber and this House their own experience. As several Members have alluded to, I myself started my own business at the bottom of the last recession and I was able to run it for 10 years. I value that experience, and I hope it has informed what I have been able to do as a Member and that it will inform what I can do as a Minister. How refreshing it has been that almost everyone who has contributed to this debate—including my opposite number, the hon. Member for Wrexham (Ian Lucas)—has been able to do so on the basis of real-world experience. I only wish that that was the case in more of the debates we have in this place.

A wide range of topics has been raised and I have a relatively short time in which to refer to them. On the cash-flow issue, which several Members have mentioned, I encourage hon. Members to take the cudgels up with the relevant Government agency and to copy the relevant Ministers in on any correspondence. The relevant Ministers will probably not thank me for saying that, but it is important to ensure that hon. Members play that role, because often there will be a miscommunication or an error will be made, and hon. Members can help to tackle such problems. That is an important point to make first.

A number of other issues were raised. In due course, I hope that I may have the opportunity to discuss the "Lil-lets solution", although I must confess that I feared where the hon. Member for Solihull (Lorely Burt) was heading when she discussed that. However, I will focus on other issues: debt, particularly the enterprise finance guarantee, about which a number of questions have been asked; the finance Green Paper and the role of equity, which underpins that document; and, of course, the vexed issue of bank lending.

As we emerge from the deepest and longest recession since the second world war, the continuing constraints on finance for SMEs are a prime concern for the coalition Government. The coalition agreement made it clear that one of our core priorities is to increase the availability of both debt and equity finance to businesses that are fundamentally sound. As several Members have rightly pointed out, that is crucial to the future growth and structure of the economy. I entirely applaud the remarks made by my hon. Friend the Member for Bedford (Richard Fuller) about what a noble calling it is to begin a business. How right he is, and how well he put it.

The Government also want to ensure that the banking system and financial markets meet the economy's long-term needs and support sustained growth. My hon. Friend the Member for Northampton South (Mr Binley), who, sadly, is not in his place at the moment, raised the issue of the balance between lending and capital reserves. We must be careful, for we do not want to repeat the instability and over-exuberance—to put it nicely—in the banking system that led to many of the problems we are discussing. Balance is important.

In the few weeks since taking office, we have introduced a number of measures to tackle the immediate challenges that small businesses face when accessing credit. We are also considering the longer term. However, as my hon. Friend the Member for Stafford rightly said, it is action that counts, not words, so I will refer to three specific matters before I consider the Green Paper.

We have increased the enterprise finance guarantee by £200 million to support £700 million in additional lending until March next year. The additional money

will support up to 2,000 SMEs. In addition, having listened to small businesses' concerns, we have set a target of 20 working days for lenders to inform businesses of their decision. Time and again, SME owners have said to me, "The worst part of the process is not knowing. If I know that I'm going to have a clear decision in 15 days, 20 days or whenever, I can plan and work forward." We felt that it was important to introduce an element of predictability into decision making as well as providing the additional £200 million.

Mr William Cash (Stone) (Con): Will my hon. Friend give way?

Mr Prisk: I will, although my hon. Friend has not contributed to the debate.

Mr Cash: I wanted to draw attention to the fact that among this distinguished company are five Staffordshire MPs. My hon. Friend the Member for Stafford (Jeremy Lefroy) has carried forward the initiatives of Stafford Enterprise, which was formed in the 1980s and to which the document from the Department for Business, Innovation and Skills refers. In the 1980s, we established the culture that my hon. Friend the Member for Nuneaton (Mr Jones) mentioned, which enabled us to create enterprise and employment. I know that my hon. Friend the Minister agrees with all that, but it is worth putting on record. It was a huge incentive to such a culture, and it needs to be related for the sake of historical continuity. In the 1980s, we achieved it.

Mr Prisk: I strongly commend that achievement and totally endorse what my hon. Friend suggests. Staffordshire Members are well represented here, which indicates their commitment to their constituencies. That is to be applauded.

My hon. Friend the Member for Stafford raised several issues involving the enterprise finance guarantee. On its own, it cannot be a remedy for the broader problems that SMEs face. It exists to underpin additional bank lending; it is not an alternative loan product. However, it is important to bear it in mind that the EFG is there to ensure that viable businesses that can pay back the money but are struggling to secure a commercial loan—often because their track record is insufficiently long or they do not have security—can obtain finance. At this point in the economic cycle, especially given several hon. Members' comments about start-ups and fresh new businesses, such underpinning is crucial as businesses develop a track record. They need an opportunity to get going.

My hon. Friend asked some specific questions, some of which I will answer. I have information for the period from January to October last year; I hope shortly to have information for the period thereafter. The sum lent during the first nine-year period was £580 million. The cost to the taxpayer—principally in administration—was £21 million. The number of jobs created or saved, according to the information we have received, was 31,600. Therefore, the cost per job is expected to be £665. Hon. Members will realise that that is an encouraging set of statistics. A note of caution: most of those loans are three or five-year arrangements, so absolute clarity about how successful the scheme has been would be a little premature at this stage. However, the statistics are encouraging, which is why I did not hesitate to take on the work.

The hon. Member for Wrexham, my predecessor in the former Government, worked hard on these matters. I thought it important that we should say, "Fine, this seems to be working. Let's move on and use it, not just change it for the sake of change." That is an important part of what we are doing. I pay tribute to the hon. Gentleman, whom I no doubt annoyed and challenged in my role as shadow Minister. He was diligent in trying to ensure that the scheme worked.

In addition, we are considering equity issues, which my hon. Friend the Member for Stafford mentioned. A growth capital fund is being created to fill a gap for SMEs that need to finance growth. We will provide more detail in the next couple of weeks. A further enterprise capital fund of £37.5 million is being set up to provide early-stage risk capital—to get the phraseology correct—to innovative small businesses with high growth potential. Several hon. Members asked about that. It is part of a £1 billion series of programmes. There are 10 ECFs, run by Capital for Enterprise Ltd. Like the market, they seek to invest in key high-technology areas. In that sense, there is an element of small pots, about which I have been critical on the record, but I think that hon. Members will realise that targeting key technologies and capabilities requires expert investors and not politicians to make the decisions. That is an important part of what we are doing.

On the green investment bank, I am pleased to say that my hon. Friend the Member for Stafford will have the full details when the Chancellor announces them during the next couple of months. I would love to be able to pre-empt the Chancellor, but that might be the end of my career, so my hon. Friend must be a little patient. He is keen, which is encouraging, but it is important to wait. Crucially, the green investment bank is meant to enable the transition to a low-carbon economy. Several hon. Members have pointed to the important role of high-technology businesses in the low-carbon field. It is important to recognise that and to make a targeted effort using the green investment bank. Details will be forthcoming in the next few weeks.

I am aware of the time, so I will move on to the vexed issue of bank lending. We should be clear that, as Members have suggested, most small businesses seeking funds at the moment are getting the money they require, but I am well aware of the problems. Although it is true that international regulators have tightened banks' capital and reserve requirements, it is nevertheless clear to me and this Government that banks can and should be doing more to support the financing needs of viable SMEs. The Secretary of State and I have stressed that in our conversations. I will put it clearly on the record again: where unreasonable terms or behaviour are brought to our attention, we will challenge the bank concerned and make absolutely sure that it understands the issue's importance to both the Government and the economy as a whole.

Hon. Members raised several other topics. I am aware that time is short, but I will return to the question of competition asked by my hon. Friend the Member for Bedford. We will challenge the banks. I want to ensure that if they are not doing their job, we hold their feet to the fire. However, in the end, competition will be the

[Mr Prisk]

answer. That is why I have great faith in the role of community development finance institutions for micro-businesses wishing to secure microfinance. Again, the last Government took a role in that, which is to be applauded. I want to consider how we can extend and develop that.

It is crucial to remember that small businesses are short not of finances but of time. We must ensure that debt and equity finance is simple and clear and that it works. That is my ambition and the ambition of this Government, and I hope that it will secure the House's support when we introduce our measures.

PC Yvonne Fletcher

12.30 pm

Daniel Kawczynski (Shrewsbury and Atcham) (Con): Thank you, Mrs Main, for calling me to initiate this debate on PC Yvonne Fletcher. I am seeking help from the Foreign and Commonwealth Office to resolve this longstanding and tragic case. Who can forget that British police officer—a beautiful young woman—being shot in the back so many years ago while she was policing a peaceful demonstration? She had a glittering career ahead of her, had worked hard to get into the police service and was recently engaged. She had her whole life ahead of her, and it was tragically cut short on that fateful day. I will never forget the image of her lying on the ground dying. I saw it on the television as a relatively young child and that image is still indelibly imprinted on my mind.

The one message we should try to get across as a nation is that if someone kills a British police officer, we will track them down—no matter where such a person goes or how they try to flee, Great Britain will always go to the nth degree to track down killers of British police officers. That must be the message we send out as a country. I give as an example the case of Sharon Beshenivsky, another British police officer who was shot. Her killer escaped to, I believe, Somalia. We sent operatives out there to drag him across the border to Ethiopia and he was subsequently extradited from there to face British justice. I want the Government to take such action and to send out a strong message to any person who dares inflict harm on our police officers that we will seek justice.

We talk a great deal about our armed forces, who are very important, but our police officers put their lives on the line every single day, too. We must never forget the extraordinary sacrifices that they make and the courage that they display. In Shrewsbury, in my constituency, we have recently had the tragedy of a police officer being shot dead. I cannot begin to explain the overwhelming sense of grief and tragedy that permeated the whole of my community because that police officer was shot. I have become involved in this case because I have written a book about Colonel Gaddafi. I am not sure whether I have presented the Minister with a copy of that book, but if I have not, I shall give him a copy at the end of the debate.

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): Signed by the author.

Daniel Kawczynski: Signed. The book is a biography of Colonel Gaddafi and it was published in February. Of course, one cannot write a book about Colonel Gaddafi without talking about this huge, outstanding issue. One chapter of the book is called "Death in the square", which relates specifically to what happened to PC Yvonne Fletcher. In writing the book, I obviously interviewed PC Yvonne Fletcher's parents who, despite their cynicism towards politicians—they feel badly let down and I will come on to that point later—kindly agreed to meet me and be interviewed for the book.

I would like the Minister to note that the previous Administration were appallingly bad to the Fletcher family. The former Foreign Secretary was frankly as useful as a cat-flap on a submarine when it came to

dealing with the issue—his behaviour was absolutely appalling. I worry about the prospect of him being leader of the Labour party when I think about how he treated PC Yvonne Fletcher's family. The family's letters were assiduously ignored for many years. No response was sent to the relatives of PC Yvonne Fletcher, despite their numerous attempts to get some form of communication out of the Foreign and Commonwealth Office. I wrote an open letter on a website demanding that the Foreign Secretary meet with the family of PC Yvonne Fletcher. I thank the media, particularly the *Telegraph*, for promoting that letter, as that is what it took finally to force the then Foreign Secretary to meet the Fletcher family. I know that the current Minister, whom I know very well as being assiduous, courteous and professional, will do a much better job at keeping the family informed of what is happening than the previous Foreign Secretary and his officials. I urge the Minister to keep the family informed through writing and at any opportunity he has to meet with them directly.

I would like to pay tribute to Mr John Murray, who is a retired police officer and is in my opinion decency personified. I have had the great privilege of meeting him on a number of occasions and I would like the Minister to make a note of his name: John Murray. I took him around the House of Commons this morning and, so well known, revered and respected is he among the constabulary, many police officers came up to say "Hello" and pay their respects and compliments to him. Mr Murray, who is from Chingford, was standing next to PC Yvonne Fletcher when she was shot dead. He accompanied her in the ambulance en route to hospital, and held her hand. In the ambulance, he promised her that he would fight to bring the person who had done such a thing to justice. He carried her coffin at her funeral and, for the past 25 years, he has campaigned on the issue. He has started petitions, raised the matter with Ministers, tried to get publicity for the issue and written to Members of Parliament. In his own way, he has never forgotten the pledge and commitment he made on that fateful day to his colleague PC Yvonne Fletcher. I pay tribute to him and I would like the Minister to know about Mr John Murray from Chingford, the respect that police officers have for him and how important it is to keep him posted and informed of progress.

Together with Paul McKeever, chairman of the Police Federation, I took Mr Murray to meet the Libyan chargé d'affaires in November last year. Mr Jelban informed us that this was a Government to Government matter and I should not get too preoccupied with it. He said that all was in hand between the Governments of the United Kingdom and Libya. However, because I had so little confidence in the former Foreign Secretary, I did not want to leave it to those bilateral discussions. I took Mr Murray to see the Libyan chargé d'affaires because he would like to go to Libya—in fact, a national newspaper is prepared to pay for him to fly out there and for his accommodation.

We are trying to get a visa for Mr Murray to enable him to go out to Libya and campaign on the issue directly with the Libyans. Neither Mr Murray nor I are getting any younger, so it is important I raise the matter with the Minister to establish whether he can do anything to assist Mr Murray to get a visa. It would be a wonderful thing if Mr Murray were given a visa because he would be able to meet Libyan officials personally in Tripoli and talk to them directly about the campaign he has so faithfully pursued over the past quarter of a century. He would be able see if he is better able to get those officials to comply than the politicians who have tried to do so.

I pay tribute also to Scotland Yard for its work. I have been to Scotland Yard and received briefings on its work, and I believe that it has done an excellent job so far. Of course, it has been frustrated in the past, primarily by not being given visas to re-enter Libya to pursue its inquiries. Interestingly, its officers have just been allowed back into Libya for the first time in three years, as the Minister will know. I have been led to believe that that is a direct result of the new coalition Government's attitude to and handling of the case, which has finally put pressure on the Libyans to grant those visas and allow Scotland Yard to re-enter the country. I pay tribute to the Minister and the new Government for that significant breakthrough, which had eluded the previous Administration, although I have doubts about the previous Administration's commitment to pursuing the matter.

At the time of the release of Mr al-Megrahi, the convicted Lockerbie bomber, who was found culpable of the worst atrocity to take place in the UK since the second world war, I tried to use the release unashamedly as a bargaining chip in exchange for Libyan co-operation in the case of PC Yvonne Fletcher. I was told that that was highly improper and that I was behaving inappropriately, but I do not flinch from my decision to do so; politics is sometimes a dirty game.

I was appalled, shocked, dismayed and deeply embarrassed that at the time of the release of the Lockerbie bomber there was total silence from the previous Government on the case of PC Yvonne Fletcher. They did not use the occasion to challenge the Libyan authorities publicly over that critical outstanding issue. Why was that? It is simply unacceptable, and it makes us look so weak in the eyes of the Arab world: we cannot even get a country such as Libya to co-operate so that our security services can pursue their investigations.

At the time, I pleaded with Mr MacAskill, the Scottish Justice Secretary, and with the First Minister. I wrote to the Foreign Secretary and the Prime Minister, pleading with them to use the occasion to challenge the Libyans publicly. It all fell on deaf ears and there was a totally mute response from the Government. I want the UK never again to be in the iniquitous position of bending over backwards to accommodate Libya by affording it the release of a convicted bomber, terrorist and killer and yet doing nothing, publicly at least, to pursue co-operation on investigations into the killing of a police officer.

I want to raise briefly the protocol, signed under the previous Government, whereby the chief suspect would be put on trial in Libya. That is deeply regrettable and highly unacceptable. I would like the following phrase, which I have used when speaking to *The Daily Telegraph*, to ring in the Minister's mind: you cannot face British justice in a Libyan court. It is simply impossible to face British justice in a court under Libyan jurisdiction in Tripoli. The only way to face British justice is in a British court under British jurisdiction.

For that protocol to have been signed under the previous Government was highly inappropriate for our country. For a major power in the world to acquiesce in

[Daniel Kawczynski]

such a shoddy, back-room deal is highly regrettable. What was going through the minds of the people who signed the protocol? I urge, beg and plead with the Minister to see what he can do to renegotiate the protocol. If we cannot get the suspect into a British court in the UK, can we at least, as the worst option, hold the trial in a third country under some form of British jurisdiction, as happened for the trial of the Lockerbie bomber, which took place in the Netherlands?

I set up the all-party group on Libya in the last Parliament because I am passionate about that country and its people. There are huge opportunities for trade between Libya and the UK. Libya sits on top of one of the largest gas and oil reserves in the world, and it is strategically placed just a short distance from some Mediterranean countries. It is a hugely important partner for us, and there are massive opportunities for British firms. However, I will help British companies to work in Libya only after the case of PC Yvonne Fletcher is resolved. If we want a genuine relationship with Libya and if we are really serious about a long-term strategic partnership, and if it is serious about it too, the outstanding issue of the murder of a British police officer must be resolved. Otherwise, that relationship will be built on sand—pardon the pun—and in a flimsy way that will not withstand the test of time.

I will continue to write parliamentary questions to the Minister on the matter. I would like to thank the media, particularly *The Daily Telegraph* and Mr Christopher Hope, for continually raising the story. Sometimes I feel like a lone voice in this place when I speak on the matter. I have flown to Scotland to interview Tam Dalyell for my book, and he is a great campaigner for PC Yvonne Fletcher, so I pay tribute to the former Father of the House for his work on that. I will continue, with the help of *The Daily Telegraph* and others, to raise the matter repeatedly. I ask the Minister to help and support John Murray in his campaign.

My last point is on the Vienna convention. Mr Murray and I have discussed what happened on the fateful day when Leon Brittan decided, following the Vienna convention, that those killers would have to be released under diplomatic nicety, which I think was extraordinary. The Vienna convention was intended to protect diplomats from intrusion and inappropriate levels of investigation. Yes, it allows them to park illegally on London streets and to do all sorts of things with protection in their diplomatic bags, but it must not give them protection when they are directly culpable for or implicated in the murder of a British police officer. If we do only one thing as a result of the case, it must be to see whether there are any ways in which we can modernise the Vienna convention, at least as a tribute to PC Yvonne Fletcher, to ensure that if such a murder happens on UK soil we are never again left in the same position.

12.49 pm

The Parliamentary Under-Secretary of State for Foreign and Commonwealth Affairs (Alistair Burt): It is a pleasure to serve under your chairmanship at the start of a new term, Mrs Main. I congratulate my hon. Friend the Member for Shrewsbury and Atcham (Daniel Kawczynski) on securing the debate and thank him for his kind remarks, which I am happy to reciprocate. The passion and commitment with which he has taken on the case is typical of the way he works generally, which is noticed and appreciated. I note also Mr Murray's commitment to the case. I listened carefully to my hon. Friend's suggestions about assistance for Mr Murray, and my officials will certainly be in touch with him to see how we might be able to help.

My hon. Friend's focus is the Foreign and Commonwealth Office support for the investigation into the killing of WPC Yvonne Fletcher. First and foremost, I offer heartfelt condolences to the Fletcher family on behalf of myself and the Government for their continuing grief over their loss. It is now more than 26 years since her death, 26 years in which her family have sought answers for their loss. They are still looking for the truth of what happened that day. A resolution to the sad issue is a key objective in our relations with Libya.

The killing of the unarmed woman constable on 17 April 1984 was a wicked, unwarranted and undeserved murder. No political or cultural circumstances justified such a cowardly attack on a woman police officer, and it will for ever be a mark of shame on those involved.

Following the severing of diplomatic relations on 23 April 1984, and the expulsion of all those involved in the bureau siege, the possibility of pursuing any inquiry into the shooting that involved Libya was not practicable, until time passed and events began to change the relationship between our two countries.

Libya's dark past and its involvement with international terrorism in the 1970s and 1980s caused grief and suffering for countless people. That is not, and cannot, be forgotten. However, through a series of actions in the late 1990s and early 2000s, including the decisions to hand over the two suspects accused of the Lockerbie bombing in 1999, and to renounce terrorism and give up weapons of mass destruction in 2003, Libya turned a corner. If I have time, I will return to the wider consequences of that policy later, but at this stage let me indicate the impact that that change of circumstances had on the WPC Fletcher investigation.

On 7 July 1999 the Libyan Government accepted "general responsibility" for the shooting of WPC Fletcher and paid compensation to her family. On 8 July 1999 Scotland Yard announced its intention to reopen the investigation into her death. On 24 May 2002 Scotland Yard officers made their first visit to Libya but returned with no real leads to follow. On 24 June 2002 a meeting between the Metropolitan police and the Libyan Government was held in London to discuss the investigation. On 25 March 2004 the then Foreign Secretary, the right hon. Member for Blackburn (Mr Straw), announced that Metropolitan police officers would fly to Libya in a fresh attempt to find WPC Fletcher's murderer. After March 2004 the investigation stalled and there was no further progress. In 2006 letters were exchanged in an attempt to move the investigation forward—I will return to that later.

I would like to reassure my hon. Friend that the Government are committed to progressing the police investigation into WPC Fletcher's death—that remains one of our key objectives. The FCO keeps in close contact with the family of WPC Fletcher and with the Metropolitan police. In a statement released in response to last week's ITV documentary, the family themselves made clear that they are content with the support

provided by the FCO and by the Metropolitan police. I listened carefully to what my hon. Friend said about such comments. The Foreign Secretary has also offered to meet WPC Fletcher's family, at a time and date that is convenient to them. I will ensure that that invitation is renewed.

We raise the case with the Libyan Government at every possible opportunity. The Foreign Secretary raised the Libyan refusal to co-operate when he first spoke to the Libyan Foreign Minister, when we became the Government. The Foreign Secretary raised the issue again in a letter to the Foreign Minister just last month. I have raised the issue in meetings in July with the Libyan Europe and Interior Ministers. The Prime Minister also raised the case of WPC Fletcher when he wrote to Colonel Gaddafi in July.

Since the Government came to office, we have made it clear to the Libyans that the issue will continue to cast a shadow over the bilateral relationship between our two countries, and continue to do serious damage to the image of Libya among the UK media and public. My hon. Friend was absolutely right to indicate that that was the case.

I would like to make it clear that responsibility for the decision to suspend the investigation, and the ability to restart it, rests with the Libyan Government. Their decision to suspend the investigation is unacceptable. They made a commitment to us in 1999, and breaking it is not acceptable. That commitment must be honoured. We will not let the issue go away.

The stalled investigation is one of the last remaining issues to affect our relationship with Libya seriously. As my hon. Friend noticed, I am pleased that following intensive representations by Her Majesty's Government, including by the Prime Minister and the Foreign Secretary, last month a joint FCO and Metropolitan police delegation visited Tripoli. That was at the invitation of the Libyan Government and was the first time since May 2007 that Metropolitan police investigators have been allowed to return to Libya to discuss the case. That meeting, on 5 August, discussed ways of moving the investigation forward to the satisfaction of both countries, and will, I hope, be the start of a new stage of co-operation.

The visit was a welcome step, but much more needs to be done to ensure that the family get the answers that they need. Securing full Libyan co-operation with the Metropolitan Police Service investigation, which would lead to a resumption of the witness interviews, therefore continues to be a key objective in our relations with Libya.

We thus come to the exchange of letters in 2006. As a direct result of the exchange of letters, between the British ambassador and Libyan Foreign Minister, which was aimed specifically at re-launching the investigation, the Metropolitan police visited Libya for witness interviews in December 2006 and in May 2007. That was an important step forward for the investigation, and a step that would likely not have occurred without the exchange. My hon. Friend rightly referred to the balance in such a case being difficult to get right.

The exchange of letters reflects the view of the Government at the time on how to enable the inquiry by the Met to progress. Establishing precisely what happened is crucial to the pursuit of justice. There is nothing unless that is done. The engagement of the Libyan authorities is, therefore, essential. The letters also reflect the reality that the Libyan authorities retain the right to decide where any suspect might be tried under their rules of extradition. In the event of a successful investigation, which is the most important issue, a joint decision will be reached about any trial. However, we should be realistic that a trial is more likely if it takes place in Libya rather than anywhere else.

Before I conclude, let me spend a few moments setting out our overall relationship with Libya. Since 1999 the UK and Libya have shared a number of diplomatic successes which have helped to normalise relations. Key among those successes were the agreement to pay compensation to the families of the victims of the Lockerbie bombing and, as I mentioned earlier, the decision to give up weapons of mass destruction and to renounce terrorism. Those were difficult issues, but their resolution has brought benefits to both countries and to the world in general. Libya is now a partner of the UK in our joint efforts to counter international terrorism and to combat illegal migration into Europe.

The normalisation of relations has, of course, also brought about the development of trade with Libya, which has helped to create jobs for British citizens here and in Libya. However, commercial considerations have, and will, not play any part when pursuing the investigation into the killing of WPC Fletcher or the tackling of human rights abuses. Libya's actions in the past few years also show to other countries the benefits of choosing the route that Libya has followed in abandoning weapons of mass destruction and renouncing terrorism. That route delivers more than the terrorist route, which is an important lesson for other nations and for the world.

In conclusion, it is undeniable that Libya's past is a dark one, as I said. However, its actions since then indicate its determination to follow a different future. We recognise its willingness to co-operate on such matters as counter-terrorism activity against al-Qaeda in the Maghreb, energy security and combating illegal migration, but difficult issues remain. Libya needs to continue to demonstrate that it has turned its back on its murderous past by addressing issues that still haunt our relations, in particular the case raised by my hon. Friend today.

We can only imagine the pain felt by the Fletcher family, at losing a loved one in such devastating circumstances, and by Yvonne Fletcher's colleagues. To have received no answers for more than 26 years can only add to the sadness and frustration felt by the family. It is important to the Foreign Secretary and the Government that the Fletcher family are given the answers and the closure that they seek, and that depends on finding out the truth of what happened.

We will relentlessly pursue the resolution of that issue and of other human rights abuses in Libya, regardless of our current good relationship. We will continue to push the Libyans and to work hard to convince them to take the moral approach and to allow the Metropolitan police to complete the investigation.

I do not pretend for a moment that the case is not among the most difficult and emotive of issues—impossible to quantify or to calculate on some sort of scale in a returning relationship with a country recovering from its past. The FCO and I will do our level best to secure the information leading to a just resolution. I will do all I can to ensure the continuing assistance of the Libyan

[Alistair Burt]

authorities, so that we may find out exactly what happened. That needs to be the basis for any conclusion about what might happen afterwards.

My hon. Friend is to be congratulated on and commended for his work on the issue. We will continue to work closely. Resolution matters greatly to the Government, in terms of securing justice for WPC Fletcher and her family.

Education Expenditure (Coventry)

1 pm

Mr Jim Cunningham (Coventry South) (Lab): I look forward to serving under your chairmanship, Mrs Main. I know that you will be fair; in fact, you may be lenient with us. I thank Mr Speaker for granting my hon. Friend the Member for Coventry North West (Mr Robinson) and me the opportunity to raise concerns about education in Coventry, and the effects on Coventry's economy.

Coventry has been widely identified as one of the areas hardest hit by the Government's recent spending cuts. In fact, the BBC described it as the first big victim of the cuts. So far, cuts applied to Coventry have resulted in a £5.2 million loss of funding in several different areas. That translates into a cut per person of approximately £11.17, which is higher than the national average of £8.97. The recent recession has also hurt the broader region to a great extent.

Coventry had already suffered devastating blows to its economy. During the 1980s and 1990s, manufacturing declined sharply. The city has worked hard and is working hard to rebuild its economy and create jobs, many of which are now based in the public sector, but that is being undermined by the Government's programme of arbitrary spending cuts. The leader of Coventry city council estimated that there is a possibility of losing between 1,000 and 10,000 jobs in the region, some of which obviously could be lost in the south of Coventry.

The largest proportion of the cuts is a 24% reduction in our annual allocation from the Department for Education. Today I want to focus on cuts made by the Department in Coventry which will have extremely adverse effects on the city. The Department announced recently that the British Educational and Communications Technology Agency and the Qualifications and Curriculum Development Agency are to be abolished, but so far we have received no clear rationale from Ministers as to why.

BECTA works to obtain the most cost-effective information technology equipment for schools and colleges. Between 2002 and 2010, it saved schools and colleges £275 million on the costs of computer equipment. It employs nearly 240 people in Coventry.

An important part of BECTA's work is its home access programme, which is part of a Labour Government initiative that seeks to provide children from low-income and disadvantaged backgrounds, and those with special needs, with computer equipment and internet access at home. As of July 2010, BECTA had provided equipment to children from more than 200,000 low-income families. However, the funding for that programme is secure only until March 2011, and the Government have given no assurances as to what will happen after that date.

The decision to close BECTA could result in increased costs to the taxpayer over the longer term. For example, a BECTA agreement with Microsoft which greatly reduced IT costs to schools will not be renewed in December 2010 when it runs out. How will the Government be able to create such large economies of scale after that central agency is closed? It will be more difficult for schools acting individually to achieve the same high standard of information and communications technology provision that is currently provided through BECTA.

The QCDA employs more than 500 people in Coventry, having recently relocated there from Piccadilly, London. The Department announced that it, too, would be abolished, but no date has yet been set. The QCDA develops and maintains the curriculum, improves and delivers assessments such as standard assessment tests and reviews qualifications. Its work is of vital importance to the wider education sector. The Government themselves admit that some functions will need to continue after the agency is abolished; for example, work supporting SATs. There is total uncertainty about which functions and, more importantly, which staff will be retained, and which will be absorbed into the Department.

A parliamentary question that I tabled on the subject received an unsatisfactory and vague answer from the Government. There is no clear strategy as to how the functions the agency carries out will be continued, which suggests that the decision to scrap it has been rushed. That is entirely unfair to staff. There is no clarity from the Government on what their future jobs may be.

The cuts are clearly arbitrary and, I suspect, ideologically driven. There has been no consultation with hard-working staff on the matter. As a result of the cuts, nearly 1,000 public sector jobs in Coventry related to education could be, or will be, lost. That will have knock-on effects on the regional as well as the city economy, yet the city desperately needs growth following the recession.

Aimhigher may also come under fire from the Government. This Government-funded service, which provides support for individuals from under-represented groups to enter higher education, makes, on average, 1 million interventions each year. Evidence shows that its work creates more motivated and committed learners. Learners are 70% more likely to look forward to going to school. However, its funding of approximately £83 million is guaranteed from 2010 to 2011 only. Approximately £10.4 million of that is allocated to Aimhigher partnerships in the west midlands, including Coventry. There has been no indication from the Government that the funding will continue.

In answer to a parliamentary question that I tabled on the subject, the Government stated that the need to attract more students from disadvantaged backgrounds into higher education is written into the coalition agreement. So why are the Government not supporting such bodies?

Cuts to the biggest Government investment in improving schools for more than 50 years have had devastating impacts for many communities up and down the country. Coventry has been particularly unfairly treated, as every one of its 20 school projects—it had been earmarked to receive £325 million for new buildings and £30 million for ICT—has been cancelled, despite the fact that its bids were just weeks away from the close of dialogue stage, which is the stage at which projects in many other local authorities have been allowed to proceed. We are one of only two wave 4 and 5 local authorities that have had our whole programme stopped.

The sample schools in Coventry—President Kennedy and Westwood—have also been stopped, whereas sample schools in some other areas have been allowed to continue. Coventry city council had already spent millions on getting bids to the closing stages, but that money has been wasted. In addition, there is uncertainty among faith schools such as Blue Coat and St Thomas More in Coventry. They do not know what will happen to their capital programmes and are expressing extreme concern.

Coventry's projects also included progressive plans for special school provision in the area. Three special schools were to be combined into two new broad spectrum schools, which were to be co-sited with the secondary schools President Kennedy and Ernesford Grange. The current special school buildings are not suitable for the wide range of educational needs of the children who attend them. Therefore, cancellation of the project is detrimental to their education.

Coventry city council has obtained independent advice that many of the school buildings across the city are uneconomic to maintain and therefore in desperate need of refurbishment. Many of those schools are located in disadvantaged areas. Pupils in Coventry deserve a first-class education in first-class facilities, but that has been put at risk by the Government.

The Government claim, as part of their cost-saving measures, that the BSF programme was too bureaucratic and took too long to produce results. However, in 2007 the Conservative party committed itself to cutting £4.5 billion from the Labour Government's school building programme to fund the capital costs of their proposed new free schools. Could the improvement of educational facilities for the majority be being sacrificed for the benefit of the few? This is grossly unfair. There are many unanswered questions about the axing of the BSF programme. Why was such a one-size-fits-all approach used to stop a phased scheme? Will an exception be made for special school provision in Coventry during the capital allocation review? How soon will a decision be made on capital allocation? Parents, pupils and teachers need to know.

The Secretary of State for Education met a delegation from Coventry to discuss this issue, including representatives from the council and all three city Members of Parliament. The Government undertook to review the capital allocation and send a review team to Coventry. I understand that that team has visited, but we do not know the outcome yet and we are looking forward to hearing it. Perhaps the Minister will enlighten us.

The decision to scrap the BSF scheme in Coventry will also have negative consequences for the construction industry in Coventry, the recovery of which would have been hugely helped by these projects, following the recession. It also has a knock-on effect for job creation and apprenticeship opportunities in the area. It is important to note that BSF has cross-party support in Coventry, indicating how much it is needed.

I want to say a word or two about possible future cuts. The Government have already cut 10,000 extra university places, but made no impact equality assessment before doing so. Future cuts to university funding are being discussed, notwithstanding the outcome of the tuition fee review, which may mean that universities in Coventry—Warwick and Coventry universities—will have to manage 25% funding cuts. These institutions are major employers in the city and are of great economic importance to the regional and national economy. Cuts in funding will therefore have a negative effect on not only on the city's economy but the regional economy.

In conclusion, I hope the Minister will consider seriously my submissions and those that my hon. Friend the Member for Coventry North West will make in a minute or two, because the Government's policy will have a major impact on jobs, training, education and, importantly, the construction industry in Coventry. I hope the Minister will at least give us some encouragement.

1.12 pm

Mr Geoffrey Robinson (Coventry North West) (Lab): It is a pleasure to serve under your chairmanship, Mrs Main. I am pleased to see the Minister here today. I have a few questions to put to him, following the comprehensive account of the situation in Coventry given by my hon. Friend the Member for Coventry South (Mr Cunningham), whom I congratulate on securing the debate.

The Minister is a decent man whom I had the pleasure of getting to know during three Budgets in the early days of the Labour Government a few years ago. The problem is not just that BECTA and the QCDA have been closed—that is the right of the Government, if they mistakenly think that that expenditure on those organisations is unnecessary—it is the manner of their closure. If the Minister cares to turn it up, he will see that the letter from the Secretary of State, whose signature I was surprised to see on it, was disgraceful in its tone and terms. It was written in haste and the decision had been taken in haste. There was no consultation, which is, to some extent, understandable, but no thought was given to what would be transferred and what would be done in the Department and how some of the work, which the Government recognised that it was important to continue with, would be continued. Having looked at that letter, the Minister will see how not to proceed in a difficult situation. It really was a great pity that it was done in that way. The Government are in danger of losing a lot of good will among people whose help they will need in due course.

I endorse the criticisms made by my hon. Friend and I should like to focus on the Government's tone and the manner in which the policy is being carried out in specific cases, particularly in respect of the QCDA. Many of the 900 QCDA staff had just moved up to Coventry, taken on mortgages and committed themselves to the city, only to receive a letter out of the blue. I do not think that the Department or Ministers can be proud of that.

Turning to the BSF programme, we spoke to the Secretary of State after he met the delegation in the House. At that meeting last week, he undertook—he was as good as his word on this occasion—to send a delegation to Coventry, but nothing really came from that. We still are none the wiser about whether the schools will go ahead, when that will happen or to what extent that will happen. I shall mention certain schools in a moment. A further meeting is intended, from which I hope that we get something. I hope at least that the matter is settled by 20 October, when the comprehensive spending review will be completed. This situation cannot go on indefinitely, leaving people, buildings and children in limbo in the way that they have been left at the moment.

I shall mention three schools, two of which are in my constituency: President Kennedy, a sample school for total rebuild, and Woodlands, which is a sample for refurbishment. In respect of Woodlands, we have worked hard—the Minister will probably be aware of the file—to get English Heritage agreement to deal with certain Hills buildings, which were the original concrete system buildings and are most unsatisfactory. Most have been pulled down now. There is also the CLASP system—consortium of local authorities special programme—to which, for some particular reason that escapes me, English Heritage attaches particular architectural significance. We have reached agreement there. I do not know why it was so difficult, but it was. The Minister may also know that we are having a terrible fight with English Heritage about Coventry market. Once agreement is reached with English Heritage, gosh, it feels like one has gone through the mangle and the last thing that anyone wants to do is reopen the matter, have it deferred or see it lapse.

The specific point, which is worth underlining, is that we have English Heritage agreement and all the planning consents that we need. In the case of Woodlands, those have been available for two years. *[Interruption.]* I see that the Minister is making a note of this. Woodlands was ready to go ahead, because rebuilding its central part is essential. Imagine trying to attract children there, even under the academy programme, which Woodlands has applied for, when the central building is covered in scaffolding to keep it up and has been covered for the past 18 months. What sort of message does that send out to parents? That school has improved its standards for the past three years, despite the buildings, not because of them, and is keen to be known as a good school in the area. Indeed, it is. It is a great sporting academy and has a long list of outstanding rugby players, some of whom, as you probably know, Mrs Main, have played for England. I think that Woodlands specialises in producing particularly tough forwards. The school has a dynamic head who is keen to push it forward. Questions need to be answered. Will the Minister please ensure that the permissions are not allowed to lapse or will be renewed and that any ministerial action that needs to be taken in that respect will be taken? We would be grateful for that.

There was to have been a total rebuild of President Kennedy, which is a Hills system building put up 56 years ago in the 1950s and 60s, a generation ago. Fortunately, as coincidence would have it—I do not want to say "luck"—the delegation from the Department visited that school when it was pouring with rain and they saw the water dripping into the classrooms and saw just how unfit the school was for purpose. I believe that that school was within weeks of closure. I had thought that that was so near that, although the signatures were not fully secured, it would have been agreed to. However, it was turned down, as was Ernesford Grange, which is not in my constituency, but is one of three schools in Coventry that urgently need proceeding with.

Will the Minister please get behind the new delegation coming up to Coventry—the second delegation—and ensure that, whatever the dates are and however much money will be released, we get those things finally pinned down, so that the insecurity is removed?

It may interest some hon. Members listening to the debate today to know that the word we had from the meeting was that, under the Government target, BSF is to be cut by 50%. That is a terrible blow to young children who are looking forward to going to school in a new building with all the motivation and encouragement that that may bring. They will be disappointed indefinitely if only half of the buildings are proceeded with, and there will probably not be many more if cuts are made to the programmes involved.

I am aware that the Minister wants to reply and that we are under tight time pressure, so I shall confine myself to those comments, and look forward to hearing his response.

1.20 pm

The Minister of State, Department for Education (Mr Nick Gibb): It is always a sign of age when the Chairman is younger than oneself. Having celebrated a significant birthday last week, that has been brought home to me in stark terms, but it is a pleasure to serve under your chairmanship, Mrs Main. I congratulate the hon. Member for Coventry South (Mr Cunningham) on securing this debate. On behalf of his constituents, he is an assiduous advocate on these issues in written questions, on the Floor of the House and in the debate.

The Government's ambition is to raise academic standards in our schools and to ensure high-quality education for all children, particularly those from poorer backgrounds. Education is the key to social mobility and the Government's key objective is to close the attainment gap between those from the wealthiest and poorest backgrounds, so we put the Academies Act 2010 on to the statute book to enable us to expand the academies programme. During the past two weeks, 100 new academies have opened, one of which is the Sidney Stringer academy in Coventry, which is where the former Education Secretary, Lady Morris, was once deputy head.

The Academies Act 2010 enables primary and special schools, for the first time, to become academies and to enjoy the greater freedoms that academy status brings. We are considering the national curriculum with the intention of restoring it to its intended purpose—a minimum core entitlement built around subject disciplines. We are enabling parents, teachers and other education providers to set up free schools so that parents have a real choice for their children.

School buildings, of course, need continuing investment, but it is vital that future spending represents the best possible value for money. The Building Schools for the Future programme was a flagship programme of the previous Government, of which the hon. Member for Coventry North West (Mr Robinson) was a prominent and distinguished member. The programme aimed to rebuild or to refurbish every secondary school in the country by 2023. Where it has delivered, some impressive new buildings have been built, and no one would deny that a good working environment can only aid achievement and help to improve behaviour. But the BSF programme was not the most effective way to deliver new school buildings.

Rebuilding a school under BSF is three times more expensive than constructing a commercial building and twice as expensive as building a school in Ireland. During the five years of the BSF programme, a scheme that was intended to improve the entire stock of the nation's 3,500 secondary schools benefited just a 175 schools.

Mr Cunningham: The important point for my hon. Friend the Member for Coventry North West (Mr. Robinson) and for me is what will replace BSF, because we badly need those schools.

Mr Gibb: The hon. Gentleman raises a good point. If he will be patient for a few minutes I will come to exactly that point.

Just 103 schools have been completely rebuilt under BSF. The budget bulged from £45 billion to £55 billion for a variety of reasons, some of which were legitimate, but the projected time scale rose from 10 years to 18. Of the £250 million spent before building began, £60 million was spent on consultants or advisory costs. In short, because of its structure and the way in which it was put together, BSF became a vast and confusing edifice of process within process and cost upon cost. It represented poor value for money. No one comes into politics to cut public spending, but the Government were faced with a £156 billion deficit, and it is our responsibility, difficult and painful as it may be, to tackle that problem lest we delay our economic recovery and cause further economic problems. We announced that the BSF programme is ending, but that does not mean the end of capital spending on schools.

I come now to the concern expressed by the hon. Member for Coventry South. When determining which projects would go ahead and which would cease, the Government developed a single set of criteria and applied them nationally. Those school projects that were part of the initial BSF schemes and had reached financial close would go ahead. Of the so-called sample projects that were part of an area's initial BSF schemes and where financial close had not been reached—the sample schools to which the hon. Gentleman referred—only those with a selected bidder after close of competitive dialogue in the relevant local authority went ahead. Coventry had not reached close of dialogue in those sample schools. Some planned school projects, in addition to a local authority's initial scheme, were all allowed to continue. Unfortunately, the BSF projects in the hon. Gentleman's constituency, and in Coventry as a whole, were not additional projects, had not appointed a preferred bidder, and had not reached financial close. As none of the criteria applied, the projects in question could not go ahead, with the exception of the Sidney Stringer academy.

In a meeting during the summer with the hon. Gentleman and his colleagues, the Secretary of State indicated that he is keen for the Department to learn from Coventry's experience with BSF, and capital spending outside that review. The Secretary of State has made it clear that the end of BSF does not mean the end of capital spending on schools. Money will, of course, be invested in school buildings in the future, particularly with a rising birth rate and increasing demand for school places, but it is imperative that money is spent on buildings and not on process. To that end, a group headed by Sebastian James, and with other professionals, began a comprehensive review of all capital investment in schools—early years, colleges and sixth forms—and will consider how best to meet parental demand, to make design and procurement cost-effective and efficient, and to overhaul the allocation and targeting of capital.

The hon. Gentleman will know that officials working for the review team visited Coventry on 26 August and explored in depth the capital needs of the city's schools and the plans for tackling those needs. A further visit is planned for later this month when the capital review team will meet councillors, representatives of schools and city council officers to discuss the needs of the city's schools including, in particular, the requirements of the city's special schools. I have taken on board the comments of the hon. Gentleman and his hon. Friend the Member for Coventry North West about the state of those schools, particularly issues such as scaffolding holding up a building's roof. Such issues will be taken into account by the capital review team, and I assure both

[Mr Gibb]

hon. Members that the Department will continue to make capital allocations on the basis of need, particularly based on dilapidations and levels of deprivation. However, I am sure that both hon. Gentlemen will understand that I am unable to make any commitments today about how much money will be allocated, or exactly when. That will depend on the outcome of the spending review and the capital review.

Mr Robinson: I understand that the Minister cannot give a commitment, but will he at least say that by the comprehensive spending review on 20 October we will have a decision about those projects that have priority and can proceed, and to what extent?

Mr Gibb: The capital review will report by the end of December, so it will not coincide exactly with the end of the spending review. The hon. Gentleman will have to be a little more patient. There will be an interim review before that, but the answers to his specific question will not be available by that specific date.

Mr Cunningham: When the capital review has been completed, and when the Minister has met the councils and so on, will he meet the MPs again to discuss the outcome?

Mr Gibb: The capital review team will be delighted to hear from the hon. Gentleman—now is the opportunity to raise specific issues regarding the fabric of school buildings in his constituency and in Coventry—but it will not be able to report in public until it reports finally at the end of December.

In the time remaining, I want so speak briefly about the planned closure of the Qualifications and Curriculum Development Agency, which employs some 446 staff in Coventry, with another 43 staff working from home. The QCDA's remit is inconsistent with our vision for school improvement driven by school leaders and teachers, with as much of the education budget as possible going to schools. That is why many of the QCDA's centralising functions will be stopped, and others will be made more clearly accountable to Ministers. We are considering how vital work such as the national curriculum tests can best continue when the QCDA has been abolished. It is too early to assess the scale of any job losses, but we are working with QCDA carefully to plan the winding down of its functions, and the proper and sensitive handling of the implications of those changes for QCDA's staff.

Public Libraries

1.30 pm

Justin Tomlinson (North Swindon) (Con): Thank you, Mrs Main, for presiding over my first Westminster Hall debate. I am delighted to have secured this crucial debate on the future of library provision, and I am grateful to the Minister for his time. He knows of my interest in this area from his various visits to Swindon. I am pleased that the Government have recently launched a support programme for public libraries—that prompted me to request this debate.

It is vital that libraries are preserved for future generations. They provide a unique environment in which anyone is welcome to read, learn or access the internet in their area. They are places where one can relax and reflect in a quiet and open setting, and where children can be entertained by stories and encouraged to explore their imaginations while learning. Libraries are a focal point for communities and provide an important source of information, as well as bringing people from all generations together.

It is concerning to see that libraries are in steady decline in the UK, and that there are a number of further potential library closures across the country. Having spent four years as a council cabinet member responsible for libraries in Swindon, I saw first hand how much local residents supported the new libraries that we built, including the award-winning, £10 million, central library. There was real concern and anger when local community libraries were threatened—something I am sure that all MPs can relate to.

Esther McVey (Wirral West) (Con): I would like to add my voice to my hon. Friend's concerns; I have first-hand knowledge of such matters because 60,000 people across Wirral came out and protested when their libraries were threatened with closure. However, does my hon. Friend agree that we must modernise libraries and make them an amenity for the whole community and everybody within it?

Justin Tomlinson: My hon. Friend makes two points in her helpful intervention, and I will come on to speak about revamping and modernising the library service. The campaigns that my hon. Friend was involved in highlighted how important community libraries are to local councils. I attended lots of meetings, and I remember one attended by more people than there were active users of the library service. I told them that they should take a few more books out.

The trend in library closures needs to change because with each closure, a community is deprived of a key service. However, as with all areas of the public sector, it is important to recognise that savings to the public budget are necessary and that difficult decisions must be made by local authorities. In that context, libraries have the challenge of improving customer services while reducing costs. The Minister will be pleased to know that I am not calling for an increase in spending on public libraries, but rather for a revamp of the way that libraries are run so as to ensure that they are viable and fit for purpose for future generations.

Changes must be made to the way that library services are delivered so as to encourage customers to use them. Public use of libraries is in decline, which was shown in

the 2010 Taking Part report, commissioned by the Department for Culture, Media and Sport and published last month. The report shows that since 2005-06, there has been an overall downward trend in the number of adults visiting public libraries in England across all adult age categories and socio-demographic groups. Only 39.4% of adults surveyed said they had visited a public library over the past year, compared with over 48% of adults five years ago.

Reading figures, however, are not declining, and the same report shows an increase in the number of people who read for pleasure. Over 65% of adults surveyed read for pleasure and of those, 80% had done so over the past week. In addition, book sales have grown. With the popularity of books such as "Harry Potter" and the "Twilight" series, annual figures from Nielsen BookScan show that children's book sales in 2009 increased by nearly 5% on the previous year.

Such figures suggest that the problem lies in the services offered by libraries. Numerous surveys have shown that the public want good choice, convenient opening hours and a pleasant environment from their local library. However, many libraries do not provide a service that attracts a significant proportion of the reading population. There is a market for libraries, but they must improve their ability to attract readers. Libraries should provide a useful professional service and an environment in which people want to be. They must do their job properly and adapt to what the public want and need, in order to ensure that they remain and are embraced by communities.

Andrew Stephenson (Pendle) (Con): I congratulate my hon. Friend on securing this important debate. Is he aware of the excellent work currently being undertaken by Lancashire county council to increase the use of local libraries? Colne library in my constituency was reopened last January following a complete refurbishment that transformed it. While continuing to deliver a traditional range of services, the library is also able to help people of all ages attain their full potential by providing services such as courses in information and communications technology, adult education and writing courses, and musical activities. There are new meeting rooms for a range of community groups, one of which I use for my local surgeries.

Justin Tomlinson: I thank my hon. Friend for his intervention which highlighted how local libraries can adapt to the needs of individual communities. That is a good example showing how the future of that community library has been secured.

Andrew Percy (Brigg and Goole) (Con): I also congratulate my hon. Friend on securing the debate—I know that he is a passionate advocate of libraries. My hon. Friend the Member for Pendle (Andrew Stephenson) spoke in support of what has been happening in his area, but in my area, our experience of the local council has been a little different. We currently have a Labour council that is proposing the possible closure of a library in Haxey on the Isle of Axholme. It has not been at all innovative in its approach but has simply offered residents the options of the closure of the library and replacement with a mobile service, or staffing by volunteers. Although it is important to transform libraries, the challenge is for local councils to be innovative and not simply present the public with bland options. It is hit or miss around the country.

Justin Tomlinson: That is why I requested this debate, which I hope will highlight that although councils have difficult decisions to make, there are options that can transform the service that is offered, as my hon. Friend the Member for Pendle (Andrew Stephenson) highlighted.

I am pleased that the Minister has announced that the future libraries programme, led by the Museums, Libraries and Archives Council and the Local Government Association group, will work with and support councils to deliver key services for communities while driving costs down. I welcome a rethink of the way that library services are delivered, and I endorse the introduction of shared services, merging functions, staffing across authorities and greater connection with other local services, where appropriate for the community. Councils need to deliver fresh initiatives to achieve cost savings and new partnerships, and they must make the most of digital advancements because further opportunities will arise through the medium of digital books.

We must ensure that libraries deliver the services that communities want and need, and that they can adapt and be shaped by the local people who use them. That is why library services should be run at a local level. Local authorities are important for the delivery of library services, but the responsibility of the day-to-day running of libraries must lie with library managers.

The person running the library and their relationship with the community is what matters. Flexibility and efficiencies can be enabled by cutting out bureaucracy and upper management. If libraries are run from the bottom up, front-line staff are given the freedom to provide a service that caters for the public who want to use them. Managers are often too heavily controlled from above, and each individual library should be released so that it can have a relationship with the community. The most important person should be the manager who must know their library, their customers and the needs of their community. By cutting corporate structure and giving management back to individual libraries, services can be tailored to—and led by—the community.

Where possible, back offices should be reduced, and activities that are not part of the libraries should be removed. Public library statistics state that only 7.5% of library expenditure for 2008-09 was spent on book stock, which is staggering. There should be a reduction in bureaucracy through the use of universal categorising and cataloguing, and labelling should be standardised. Costs saved by cutting through red tape can be spent on improving stock, opening hours and the environment of the libraries—areas that have been shown to be important to the public but which have all too often been neglected. National library campaigner, Tim Coates, is passionate about that issue, and rightly so as it is exactly how Hillingdon local authority helped to transform its library service.

If services are released from a corporate structure that undermines managers, decisions can be made about vital areas such as stock. Such decisions can be made directly in response to requests and local demand without additional bureaucracy or delay. When we opened our new central library, we allowed local residents to pick and choose—within legal boundaries—any item or book

[Justin Tomlinson]

that they wanted to have in the library. That is important, as people will not use libraries if they do not have the books that they want or the stock is not up to date with new releases or trends. Big-name bookstores such as Waterstones often provide a wide variety and an up-to-date collection, and a pleasant coffee culture environment in which to enjoy a book. Libraries must be able to compete and go further by also providing additional services that are unique and appropriate to the local area. Again, I refer to the excellent example given by my hon. Friend the Member for Pendle.

Local communities need to be able to access services or be offered a service that they want. The library manager can be responsible for successfully offering and delivering services appropriate for the area—as they know it best—working in conjunction with volunteers. For example, delivery services to the elderly in local care homes or reading time for children after nurseries or schools finish, with the use of volunteer groups, can help to take the library directly to the community and drive up usage. I recently experienced that when I took part in the launch of the Swindon summer reading challenge for children, acting as an elephant in the support cast for author Neil Griffiths' excellent live story time. Thankfully, my red-faced performance, which has not featured on YouTube, did not put off the children, with an amazing 2,598 children signing up—a just reward for the staff and volunteers who went that extra mile to make the library exciting for the children.

Local solutions can be developed to increase opening times. In Swindon, we saw the Old Town community library facing closure. I know that the Minister is well aware of it. There were concerns about limited opening times, fears of falling usage following the opening of the new Central library and concerns about an unsuitable and cramped building. That was typical of so many closures across the country. However, local campaigns were organised, led by local activist and passionate library supporter Shirley Burnham, and thankfully a practical solution was found by moving the library into the arts centre just around the corner. Incidentally, that move is happening as we speak. The move started today, and knowing Councillor Fionuala Foley and head of libraries Allyson Jordan, there will not be any delay in the library opening later this week.

Duncan Hames (Chippenham) (LD): I congratulate the hon. Gentleman on securing the debate. We could certainly use his experience elsewhere in Wiltshire. My local council is proposing to close Melksham library and replace it with bookshelves in the foyer of an out-of-town swimming pool and leisure centre. Does the hon. Gentleman agree that the arts centre that features in the innovative solution that he has outlined is a much better bedfellow for a library than the rather damp suggestions that people have been experiencing in my part of the county?

Justin Tomlinson: I thank my hon. Friend for that intervention. I am not familiar with that area in particular. There are opportunities to extend the library service in places such as leisure centres, with self-service machines, but I question their replacing the library service and I suggest that the council thinks a little more and comes up with more innovative ideas and consults the local community a little more widely to find a solution that will work.

The move to the arts centre will not only provide a modern, improved environment. In addition to transferring the existing 18 hours of staffed opening, those hours will be extended, through the use of self-service machines, to the 40 hours for which the arts centre is open during the daytime, plus any evening performances—crucially, at no extra cost to the taxpayer. With the additional footfall driven by the library, the arts centre will surely see increased sales for its performances and the café will be made more viable—a real win-win situation, thanks to the willingness to adapt and change. That highlights the thrust of my proactive case.

Mr Robert Buckland (South Swindon) (Con): I am very grateful to my hon. Friend for mentioning the Old Town library, which is in my constituency. I can tell you, Mrs Main, that as an instinctive bookworm and a user of the library service in South Swindon who gave an involuntary shudder when he learnt that the third edition of "The Oxford English Dictionary" is not to be put into print, I am somewhat of a traditionalist when it comes to libraries. However, I was delighted to hear my hon. Friend's reference to the need for a place of quiet reflection. Does he agree that in any move to new premises, such as the welcome arts centre development in Old Town, we must remember that at the back of it all libraries should remain places where there can be quiet reflection for those who use them?

Justin Tomlinson: I thank my hon. Friend. I am delighted that he shares my passion for libraries. I know that Wroughton library benefits from his family's exhaustive use of the book stock. He is right to say that there should be provision for quiet study time, but also sometimes we need to make libraries more welcoming, so it is a question of achieving that balance.

For libraries to attract more readers, they need to improve the library experience. The environment must be welcoming for all ages, and clean. Staff should be smart and well presented, as well as friendly, knowledgeable and helpful. Opening times can be synchronised to the opening hours of local shops or footfall for the area—for example, if there is late-night shopping or Sunday trading. Innovative ideas need to be encouraged to provide new solutions that fit the local area and demand.

More must be done to ensure that libraries, particularly our small community libraries, can survive the current financial climate and are providing a service that is fit for purpose and the community that it serves, not a one-size-fits-all approach. Libraries need to adapt to changing times and be led by local demand. Services must deliver choice, convenience and quality customer care. Responsibility for management should be based at local level, so that the people who use and cherish libraries can have a say and are involved in the future of their community libraries.

My fear is that although many people agree with the sentiments expressed in my speech, a failure to act will see the steady and continual decline of our much-loved community facilities. I therefore urge the Minster, in his most determined and enthusiastic style, to do all he can to encourage local authorities to ensure that libraries are viable and fit for purpose for future generations.

1.45 pm

The Parliamentary Under-Secretary of State for Culture, Olympics, Media and Sport (Mr Edward Vaizey): I am grateful to my hon. Friend the Member for North Swindon (Justin Tomlinson) and I will attempt to rise to the challenge. First, I welcome you, Mrs Main, to the Chair. This is the first time that I have had the opportunity to debate under your chairmanship. You and I came into the House together, and it is always a little depressing when one sees a colleague rise in advance of oneself, as you have, but in your case I can say that it is thoroughly deserved, and you have chaired this debate in a consummately professional manner.

I am grateful to my hon. Friend for initiating the debate and for the many excellent points that he made. What characterised his speech, which perhaps does not characterise many of the contributions on libraries that one reads on blogs or in newspapers, was that it was relentlessly positive. He saw the opportunities that exist in the library service up and down the country, and by and large I can say that that was the case for the many excellent contributions that we heard this afternoon, including from my hon. Friend the Member for Wirral West (Esther McVey), who talked about the need to modernise, and from my hon. Friend the Member for Pendle (Andrew Stephenson), who illustrated the fact that his libraries are being innovative. The concerns of my hon. Friend the Member for Brigg and Goole (Andrew Percy) and the hon. Member for Chippenham (Duncan Hames) were valid and illustrated their awareness that libraries are a force for good in their communities. They were simply encouraging their local authorities to think again about how to be more innovative.

My hon. Friend the Member for South Swindon (Mr Buckland)—a man I have known for many years—reminded us that traditionalism and modernisation can co-exist and create a whole that is greater than the sum of the parts, as it has indeed done in the person of my hon. Friend.

Although I want to make a relentlessly positive and enthusiastic speech, I will just pause for about 30 seconds to make a cheap party political point. It is interesting to note that the coalition Government have fielded no fewer than seven Members of the House, whereas the Opposition, who presided over the decline in library usage that we have learned about over the past five years from the statistics produced by the Chartered Institute of Public Finance and Accountancy, have not fielded a single Member of the House to talk about their own thoughts and plans for libraries. When I was in opposition, I found extremely frustrating the lack of action from the Government in providing a leadership role.

I said earlier that one thing that I find depressing about the libraries debate is that so much of it is couched in negativity and quite a lot of it is based on a lack of knowledge and a huge degree of ignorance. It was interesting for me that in opposition, when we discussed the library closures in the Wirral—in the constituency now represented by my hon. Friend the Member for Wirral West—and in Swindon, I was, I think, the only Member of Parliament who bothered to visit both places and at least felt that I knew something of what I was talking about. Most people were happy to get on their hobby-horse and talk about the closures, never having got into the detail of the debate.

Much of the debate is conservative with a small c and somewhat negative. I myself see a huge opportunity and an optimistic future for libraries. I am an enthusiastic champion of libraries and will do all I can, in the time that I have as a Minister, to encourage local authorities to cherish and value their libraries, but also to innovate and modernise in their libraries.

In opposition, before I had been sent to the coalition Government's re-education camp, I did want to set up a library development agency. I learnt in government that first, we have no money, and secondly we are not particularly pro setting up quangos. It may therefore appear somewhat confusing that one of my first acts as a Minister was to abolish the quango responsible for libraries—the Museums, Libraries and Archives Council—so I had better square the circle regarding how that decision came about.

That gives me an opportunity, first, to say how grateful I am to the council's chairman, Sir Andrew Motion, its chief executive, Roy Clare, and all the team who so ably support them. The MLA has come to the table and understood the political necessity of saving overhead costs and delivering as much money as possible to the front line. We are working hand in hand with it to ensure that we have a smooth transition and that its functions continue to be carried out at the same time as we achieve a cost saving. As my hon. Friend the Member for North Swindon said, that is the kind of thinking that should be going through the heads of library authorities up and down the land.

I am confident that we will have a smooth transition. The specific detail of what will happen has not yet been decided exactly, but we are working closely with the Arts Council, for example, to look at the future. The Arts Council already supports important reading and literature initiatives—notably, the Reading Agency, which is behind the summer challenge, in which my hon. Friend realised his vocation as an elephant. That gives me an opportunity to praise Miranda McKearney and all those who work for the agency, because they do an enormously valuable job in encouraging children to read.

In the meantime, I am delighted to say that I have had the opportunity to put in place the library support programme. What is exciting about it, albeit that my press release was couched in slightly bureaucratic language, is that it brings the Local Government Association to the table. It explicitly recognises that local government has a huge role to play in library organisation and that diktats from Whitehall should not dictate the pace of change in local authority libraries, which should be local authority-driven. I am absolutely delighted that Liberal Democrat councillor Chris White, who is in charge of the programme, has worked so well with us to realise its aims. More than 100 local authorities expressed interest in getting on board, and more than 30 are now part of the initial stages. It is important to stress that libraries are a local service and that it is not for the Government to tell local authorities how to run their local library service—we exist to encourage and support. In particular, I hope that the library support programme will bring together different views about innovation and modernisation and enable best practice to be shared.

It is not all doom and gloom in the library service. We absolutely acknowledge the passionate support among the local community for the Old Town library, but one of the frustrations about the Old Town library campaign, as my hon. Friend will acknowledge, was that Swindon

[Mr Edward Vaizey]

was somehow seen as withdrawing from the library service, when, in fact, a new £10 million library had been built literally half a mile down the road. The same is true up and down the country. If one goes to Norwich, one will see the Millennium library, which is the most visited library in the country, with 1.5 million visitors. In Newcastle, Her Majesty the Queen opened a new central library with a great new civics facility, which already has a podcast from me on its website, just to enhance the service. Manchester has blazed a trail, with the first public library to be successfully co-located with a further education college. It has also announced a full-blown strategy to develop its central library and a network of community libraries. York saw the first private sector sponsorship of a library service in the country, with £300,000 from Aviva. Luton and Wigan are examples of the successful operation of library services within charitable trusts. I could also talk about Essex and Leicester, and Hillingdon has already been mentioned. The library service in Kent is now seen as integral to delivering local authority services. Tower Hamlets has re-engineered its libraries and attracted a whole new group of people in to use them. There is therefore a massive amount of innovation.

The trouble with the library debate is that the minute one mentions an example of innovation, people throw up their hands in horror and say that everything is going to hell in a hand basket. If someone happens to mention that Hillingdon has put coffee shops in its libraries, people throw up their hands and say, "The Government want to turn libraries into coffee shops." No, we do not; we just think that there is nothing wrong with being able to buy a cup of coffee and then read the paper, borrow a book or access the internet. I tried to make a speech that I recently gave about libraries slightly more interesting by mentioning that there is a library in a pub in North Yorkshire. It was immediately said that the Government want all libraries to be closed down and put in pubs. No, we do not. As my hon. Friend so eloquently said, this is about putting library managers and the people who run the library service in charge. If they think that their local community would find it easier to visit a library in a pub, they should be entitled to try that out.

There are some key principles behind the library support programme and the Government's support for libraries. Local authorities should ask themselves what their library is for. Of course it is about books, borrowing and reading, but it is also about digital access, inclusion, access to the computer network and information. As my hon. Friend the Member for South Swindon said, the library is a place to have thinking time and to be quietly contemplative. Libraries are also great community centres for people who are new to an area, and refugees, in particular, find them a fantastically useful resource that can help them begin integrating into the local community. Libraries are also a massive resource for helping local councils to put services in front of local residents.

As my hon. Friend the Member for North Swindon said, however, library authorities also have to look at where they can cut costs. I have gone on record again and again as saying that it is a matter of intense frustration that there are 151 library authorities. Before I risk contradicting myself, let me say that I will not impose change or force library authorities to merge, but it is absolutely sensible that library authorities should find ways to work together. I was delighted that Hammersmith and Fulham and Kensington and Chelsea, each of which has six libraries, will now work together. Even so, Hillingdon has 18 libraries, which is three times more than Hammersmith and Fulham. Rutland has five libraries, and I am delighted that it is working with Lincolnshire, which has 61. Library authorities therefore cover a huge range of sizes, ranging from 80 or 81 libraries in Kent down to five in Rutland, and it makes sense for people to work together to try to save on bureaucracy.

Instead of thinking of a library as a cost—as somewhere where savings have to be made—local authorities should think of it as a resource, where innovation can happen. We are moving into the digital age, and people will be reading e-books, so they will want a place to go where they can be introduced to and try out new technology. In the same way, libraries in the 19th century were set up to introduce people to books, when books were an expensive resource and not available in every household.

Training is also incredibly important. If we are to put library managers in charge, we must also ensure that we concentrate on training them and librarians so that they can provide a service for different kinds of users.

Andrew Percy: One issue that we have not talked about is post offices. My area has lost a number of post offices in the past few years, and along with the post office we also lose the village shop. Will there be discussions between Ministers about how we can get the Post Office to work more closely with library authorities on possibly co-locating?

Mr Vaizey: What concerns me about that intervention is that my hon. Friend has clearly bugged the Department for Business, Innovation and Skills. About 45 minutes ago, I was having a discussion with the Minister responsible for post offices. I said that there is a clear correlation between libraries and post offices as community resources. I would be delighted to have discussions with my hon. Friend, because he, I and the Minister responsible for post offices are clearly on exactly the same wavelength.

The location of a library—location, location, location—is incredibly important. I have talked about libraries co-locating with GP surgeries, health centres or, indeed, supermarkets. Again, the headlines said that the Government planned to close down libraries and put them in supermarkets or, indeed, leisure centres. However, the key point, as my hon. Friend the Member for North Swindon said, is ease of use for users and residents. If co-locating means that libraries can stay open longer without additional costs to the taxpayer, or that they can increase their footfall and the number of people passing by who say, "Oh, there's the library. I must just pop in," that must be a good thing.

I will bang the drum for libraries and campaign for them. I will make the point again and again that I am not abdicating my responsibility when I emphasise the fact that local authorities are responsible for libraries. Libraries are a massive resource, and I am happy to stand shoulder to shoulder with local authorities in encouraging them to innovate, cut costs and move forward into the future.

2 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).

Westminster Hall

Wednesday 8 September 2010

[JOHN ROBERTSON *in the Chair*]

Football Clubs (Governance)

Motion made, and Question proposed, That the sitting be now adjourned.—*(Stephen Crabb.)*

9.30 am

Steve Rotheram (Liverpool, Walton) (Lab): I am delighted to have been granted the opportunity to debate this issue. I am equally delighted to have been joined by Members from both sides of the House; their presence confirms the interest in and importance of the subject at the highest level. I also welcome the many people in the Public Gallery.

I am aware that a debate on this subject in this very Chamber was initiated in February by my hon. Friend the Member for Manchester Central (Tony Lloyd). That debate touched on many of the ills currently afflicting our national game. I am keen to establish from the outset that I do not seek to open up a brand new wide-ranging debate today; I simply want to continue a dialogue that has already begun and to highlight an idea that has already gained considerable traction. I should add that I am aware of the excellent work carried out by the all-party group on football, and I acknowledge its commitment and expertise. I am pleased to see members of that group here today and I look forward to their contribution to the debate.

It is important to acknowledge the progress made on football governance by the previous Government—particularly that made by senior members of the Department for Culture, Media and Sport. Thanks to their efforts, much of the ground work has been done. I hope that colleagues will welcome my humble attempt to build on that foundation.

I do not propose to discuss football governance per se or any other of the plethora of football-related topics. Instead, I intend to address one specific aspect: the role of supporters in the governance of football clubs. Today's debate feeds into the wider debate on the reform of football governance. In my view, a broad package of reform should include changes at every level of the football hierarchy—but that is a debate for another day.

I declare an interest at this juncture. Not only am I a self-confessed football fanatic, but my constituency happens to play host to two renowned football clubs—Everton, which I have to mention first, and Liverpool FC. I also declare an interest as a season ticket holder for the red half of that duo. I hasten to add that that is not the sole reason for my being keen to secure this debate—not entirely, at least. Indeed, Northampton Town Supporters Trust, the country's longest established supporters collective, says that this subject has an inescapably political dimension. I shall elaborate on what I mean by "politics" a little later.

I start with the basics. In 2009, the all-party group on football found that those who are most under-represented in football are those who should have the most say—the fans. One of the biggest problems connected with football governance is that, at most levels of the game, those who pay for it are excluded from the decision-making structures in clubs, leagues and governing bodies. This debate would be an entirely academic exercise if football fans were satisfied with that state of affairs and if there was no appetite for change. However, the evidence suggests otherwise. A YouGov poll conducted in April this year reportedly found that 56% of fans wished to take control of their clubs. In Manchester and Liverpool, where fans are outraged at the way in which their clubs are being exploited by wealthy foreign businessmen, the figure rose steeply to 82% and 72% respectively.

We might expect such findings in relation to supporters themselves, but there is a broad in-principle consensus among politicians, sport analysts, football governing bodies and clubs that fans have a role to play. In 2003, the then chairman of the Football Association, Lord Triesman, said that clubs should be owned by people who embrace the history and values of football and who want to see their clubs succeed. In 2008, the then Secretary of State for Culture, Media and Sport, my right hon. Friend the Member for Leigh (Andy Burnham), urged Liverpool supporters to take back the club from within. In 2009, UEFA president Michel Platini told a newspaper:

> "I think it is a great idea...that the supporters invest in a club because they at the end of the day defend the club's identity".

Parties across the board profess to be supportive. What is more, the concept of support and engagement is neither new nor—at least in theory—controversial.

A range of ownership and governance models exist, from token support and representation on club boards to outright ownership. In the United Kingdom, football supporters' trusts have been established at more than 160 clubs, and 15 clubs are owned or controlled by such trusts. More than 110 trusts have shareholdings in their clubs, and almost 60 trusts have directors sitting on the club boards. Progress has clearly been made, largely due to the effort and commitment at grass-roots level, and that is to be commended.

Joan Walley (Stoke-on-Trent North) (Lab): I am most grateful to my hon. Friend for giving way. I have to declare an interest; I am a season-ticket holder at Port Vale football club. Does my hon. Friend agree that the way in which the fans of Port Vale bought out their club when it was in administration also suggests a way forward? The dilemma and the main cause of tension is that football clubs depend on investment. The degree of investment now needed because of the unlevel playing field brought about by the premiership gives the impression that people can simply come in with that money, but it is not necessarily available at the local level.

John Robertson (in the Chair): Order. Will Members please keep interventions short?

Steve Rotheram: I imagine that my hon. Friend the Member for Stoke-on-Trent North (Joan Walley) and Robbie Williams are both Port Vale supporters. She is probably right that the premiership is top-heavy, given its revenue.

I return to the question of football governance. The problem, as I said earlier, is that it is patchy and sluggish, and is largely the preserve of lower division clubs and non-professional governing authorities. They might be

[Steve Rotheram]

proactive and continue to reform their own governing structure, but it happens at a snail's pace; the premier league, however, remains a law unto itself, with little apparent interest in seriously engaging with the very fan base that sustains it. It is no coincidence that supporters of nearly 70% of clubs in the top five divisions of English football and the top four divisions in Scotland have established supporters' trusts. However, a 2009 report indicated that only 19 of the 92 Football League and premier league clubs have supporters' representatives on their boards, which suggests that the supporters' movement is thriving but that the clubs do not take them seriously.

The mood is changing, however, and momentum is growing. Premier league supporters are not prepared to do things by halves. They are pushing for outright control. Supporters of Manchester United and Liverpool FC, both iconic premiership clubs, have taken collective action and set their sights on more than token representation on their boards; the Manchester United Supporters Trust and its equivalent on Merseyside, SOS-ShareLiverpoolFC, advocate a long-term vision of outright club ownership.

Hazel Blears (Salford and Eccles) (Lab): I congratulate my hon. Friend on obtaining what is probably the most popular debate ever in Westminster Hall. He is clearly making history here today.

As my hon. Friend knows, in 2005 the Glazers took over Manchester United. The club is now £700 million in debt, with £69 million a year being paid in interest—and that money comes from the fans through tickets and merchandise. It is an appalling situation. Does my hon. Friend support a more rigorous "fit and proper person" test in respect of takeovers of football clubs? In Germany, every club has to be 51% owned by the supporters. Does he support a similar provision for clubs in this country? Such a scheme would make a real difference.

Steve Rotheram: Absolutely. As for the "fit and proper person" test, it was one of the recommendations in the 2009 report, and it needs to be acted on. I will come later to my right hon. Friend's point about the German model, in which supporters have a 51% stake, and to the models in Spain. It is interesting that a YouGov poll survey earlier this year found that supporters would be prepared to invest on average £600 each to buy their football clubs. If we do the maths, the prospect of supporters seizing control is not quite as far-fetched as it may initially seem.

Toby Perkins (Chesterfield) (Lab): The amount of money that my hon. Friend mentions demonstrates the extent to which such a suggestion is out of reach for many people. At one time, football was very much the working man's game, but it has become an increasingly expensive pastime. If one has to have £600 to own a stake in a club, the prospect will be out of reach for a large percentage of our society. The example of the Glazers, who bought the club with the club's own money and then put it into debt, shows how the game has been stolen away from the supporters and become merely an interest to big business.

John Robertson (in the Chair): Order. Can we keep the interventions as short as possible? Many hon. Members want to take part in the debate, so please keep the questions short.

Steve Rotheram: Just to build on what I said, the proposal is very doable. A recent example of democracy in action has been demonstrated by Arsenal Supporters Trust, which invited fans to invest in a new "fanshare" scheme. For as little as £10 a month, Arsenal FC supporters can now contribute to a pool, which, in time, will be used to buy a stake in the premier league club. That will entitle shareholders to vote on club policy, receive financial and corporate information and attend the annual general meeting. The club is fully behind the scheme. The chief executive described the enhanced supporter-club relationships as

"good for the club's soul."

The four major shareholders all fully endorse the scheme. Arsenal FC is one of the more enlightened premiership clubs, but the success of its trust demonstrates that supporters are quite capable of forming intelligent, committed and influential collectives.

Mr George Howarth (Knowsley) (Lab): I congratulate my hon. Friend on his choice of subject for today's debate. Does he accept that the incremental nature of the Arsenal model is one way of getting over the difficulties of the vast sums of money involved in fans' taking over at any given club, particularly in premiership land?

Steve Rotheram: I totally agree with my right hon. Friend; there is not a one-size-fits-all response to this problem. First, we must identify that there is a problem, to see what we as Members of Parliament can do to alleviate it. Football supporters are shouting from the rooftops about it.

In my own neck of the woods, the pressure group Keeping Everton in our City achieved its objectives by stopping its club from being used as a pawn by big business. The aforementioned SOS-ShareLiverpoolFC has more than 30,000 members and a board packed full of expert professionals with a detailed proposal for funding and securing a buy-out of its club and for governance restructuring along more democratic lines. Supporters are thinking and talking big.

Alec Shelbrooke (Elmet and Rothwell) (Con): On the specific point about governance from the fans, does the hon. Gentleman know—perhaps the right hon. Member for Leigh (Andy Burnham) can help as well—what the fans who may be running a club would think, say, of the commercial viability of a ground share between Liverpool and Everton? Would that be an example of fans' passions overriding the business case?

Steve Rotheram: Give us an easy one! The tribal nature of football, which I will come to later if I have the opportunity, can sometimes override the common-sense approach. The example that the hon. Gentleman gives is a good one. Although the economics stack up in favour of Liverpool and Everton sharing a football ground, there are not many examples in the whole of the United Kingdom of such ground-sharing schemes. It is like suggesting to a Man United supporter that they share Manchester City's stadium. If that is what the hon. Gentleman is suggesting, it would be a difficult proposal to sell on the doorstep.

There are those who would say, "Leave them to it. Keep politics out of football and football out of politics." The UK Government have traditionally veered away from being heavy-handed in football business, leaving the sport to its own internal devices and regulatory systems. However, the game itself is now a huge, complex and lucrative industry, which, by definition, impacts on the economy. Premier league clubs alone are saddled with an estimated cumulative debt of about £3 billion. We ignore that and the culture it has permitted it at our peril.

Another major money-yielding industry that, until recently, was deemed untouchable and was pretty much left to get on with things on its own went belly up. On that basis alone, there is a strong case for the Government to intervene. I will go even further and say that the Government not only have a right but a responsibility to get involved. Football has received much financial and political support from Government over the past decade or so, and, at a national level, with Government support, it is bidding to host the World cup. Therefore, in return, the Government have a right to expect the highest standards of governance and a duty to step in when the game falls short of those standards, which it currently does.

However, the case is more nuanced than that; for many, it is personal. The football industry is unique because football is a product like no other. Supporters in general are not simply consumers who can exercise purchase power and walk away from the product if they are unhappy with its quality or performance. Football fans invest emotionally as well as financially in their clubs. Club allegiances, as we have just identified, are deep-rooted and passionate and are often passed down from generation to generation. They are inextricably bound with community ties and identities. In that respect, football, like politics, is tribal. It commands loyalty and constancy and requires member engagement if it is to thrive. The industry itself should recognise and respect that.

The issue is political in other ways. It is said that the new politics is about transparency and accountability, and about more rigorous and meaningful forms of democracy. It is precisely those democratic principles—transparency and accountability—that football followers wish to see enshrined in the conduct of their clubs. It is entirely in keeping with the spirit of the age that football fans should seek greater influence in how their clubs are run, particularly when they see the clubs being run into the ground by profit-fixated asset strippers with little or no understanding of or empathy with a club's heritage or culture.

Dr Thérèse Coffey (Suffolk Coastal) (Con): I congratulate my fellow Liverpool supporter on securing this debate. However, I do not agree that Governments should intervene in this matter. The whole issue has arisen, particularly for the supporters, because of the financial engineering that has been going on. Does the hon. Gentleman not agree that instead of trying to regulate in a particular way, we should use tax incentives to encourage mutuals, such as the Arsenal share scheme? Instead of debt-financed football clubs, which rely on tax incentives, we should have a different approach that encourages supporters' ownership of the clubs.

Steve Rotheram: I think that if that recommendation emerged from this debate and was supported by Members in the hon. Lady's party, that would be a fantastic outcome. Hopefully, during the rest of the debate, we can tease out some further recommendations.

This is a timely debate, because the calls for greater supporter involvement chime with the coalition Government's much-vaunted big society idea. It is altruism that drives supporter activism. Supporters' trusts are run by people who give their time, money, effort and skills for the love of the game. Their overriding motive is to see their clubs prosper, on and off the pitch.

If the big society is all about citizens engaging proactively with activities and institutions that impact on their lives and the shared life of their communities—although, frankly, it all depends on which Minister is trying to define it—football governance reforms provide an ideal opportunity for the Government to push for improved supporter representation and involvement.

The social benefits of supporter involvement are already in evidence. A report recently commissioned by Supporters Direct entitled "The Social and Community Value of Football" examined this issue in full and detailed the specific advantages of supporter ownership, including

"a greater sense of engagement and inclusion with fans and wider stakeholders; better integration with the community; more open and responsible governance; good relationships with local authorities, and partnerships with voluntary organisations."

So there is really no excuse not to take this idea on board.

The Conservative party made the right noises in its election manifesto, pledging that

"we will reform the football governance arrangements so co-operative ownership models can be established by supporters".

I note with a little concern that the coalition Government made a rather more non-committal promise to "encourage" reform in its coalition agreement in May. I may be splitting semantic hairs here, but I sincerely hope that that did not signal a downgrading of the commitment.

My own party has a proven track record on football governance reform. It was the Labour Government who introduced the umbrella organisation for fans, Supporters Direct, in 1999. It also commissioned the Burns inquiry into football governance in 2005, and tackled the Football Association and other football governing authorities in 2009 over their failure both to work together and to implement reforms. The new Government have talked the talk on the big society and the role of football supporters in the governance of football clubs. The challenge now—I throw down the gauntlet for the Minister—is to walk the walk.

I should say a word about supporters' trusts, as they are crucial to the success of this kind of democracy in action. They are formal, democratic and not-for-profit fans organisations and they aim to extend supporter ownership, representation and influence at their respective clubs. Sadly, if unsurprisingly, they have commonly been founded in response to financial or mismanagement crises at a club; crises that have compelled supporters to take matters into their own hands.

On a far more positive note, supporters' trusts are generally voluntary, they operate effectively on minimal funding and members are motivated purely by their passion for the game. In that respect, they are true grass-roots movements and their successes prove that fan ownership, control or representation can work. Many of them are run along the lines of the extremely professional Northampton Town Supporters Trust, which was established in 1992. At that time, it was the first

[Steve Rotheram]

collective of its kind. It enjoys a shareholding in the second division club, as well as representation on the board of directors.

John Woodcock (Barrow and Furness) (Lab/Co-op): In Barrow, many people share their love of Barrow AFC with support for other successful clubs; I would say that those clubs are Liverpool, Manchester United and Sheffield Wednesday. Will my hon. Friend join me in paying tribute to the supporters right across the country—who would imagine that there are Manchester United fans right across the country?—who have lobbied Members of Parliament to get involved in this debate? I find their energy extraordinary and it is a real sign that this can be a successful venture for football organisations.

Steve Rotheram: I absolutely join my hon. Friend in paying tribute to those supporters. I think that we ignore football fans at our peril. It is not just about Manchester United or Liverpool, or the other big clubs. Bees United acquired a 60% stake in Brentford football club in 2006, which made Brentford, who are in league one, one of only two Football League clubs to be majority-owned by their supporters. My hon. Friend mentioned Sheffield Wednesday; I think that it was Brentford who enjoyed a resounding victory over Sheffield Wednesday at the weekend.

As I have said, no discussion on this subject would be complete without reference to the Spanish and German models of club ownership, which I suspect are feared and grudgingly admired in equal measure by the corporate football world in the UK. Both Spain and Germany boast thriving, long-established equivalents to our premier league. Clubs in those two leagues exist in a culture of mutual or co-operative club ownership. In both leagues, it is a matter of civic pride that top-flight football clubs should be controlled or owned by their supporters. Spain's FC Barcelona, which is the "big daddy" in this respect, is routinely held up as a utopian ideal of football club governance and is structured as a co-operative society owned by some 170,000 members, with a democratically elected president—and Barcelona do not do so badly, generally. It is a case of "horses for courses".

The Minister for Sport and the Olympics (Hugh Robertson): I have been listening carefully to the hon. Gentleman. However, it is only fair to say that Spain has an entirely different model for distributing television revenues from Britain. Spanish clubs negotiate TV rights individually and they go directly to Barcelona and Real Madrid, so the majority of TV rights and therefore the majority of TV money goes directly to those two big clubs, and the smaller clubs underneath them, which constitute the larger Spanish football family, suffer accordingly. By contrast, here there is collective negotiation for those TV rights, putting British clubs on a very different financial basis.

Steve Rotheram: I hear what the Minister is saying. I myself do not think that the Barcelona model or any other model is a panacea. I am not suggesting that, all of a sudden, the fans of every single football club will go out and seize control of their clubs in a revolution, but regarding the way in which clubs such as Barcelona are structured, the argument cannot be made that those structures make them less likely to be successful.

As I was saying, it is a case of "horses for courses" and it would be naive to suggest that we should simply adopt the Barcelona model or anything else off the rack. Clubs such as Barcelona are long-established products of their respective cultures, politics and histories, and there is little evidence that their ownership models would prove suitable, or even desirable, here in the UK. It would be equally naive to suggest that supporter ownership or control of major clubs in the UK would prove to be some kind of panacea. Teams will always have lousy seasons, as my team did last year. There will always be controversy surrounding management decisions, many clubs will intermittently struggle financially and there have been failed, or at least unworkable, experiments in supporter ownership before now.

A useful lesson that might be drawn from those experiences, and from the European models that I cited earlier, is that mutuality alone is not enough. Mutuality must be coupled with effective business practice and regulation. Supporters fully appreciate that. Manchester United Supporters Trust has declared that

> "we have neither the desire nor the intention to run the day-to-day affairs of the club. A club like United should be run by professionals whose experience and expertise will ensure its success."

Such a sentiment should allay the fears of those who view supporters as little more than a bunch of amateurs who wish to take over the show, or lunatics taking over the asylum. Supporters are not stupid—they want and recognise what is best for their club. The point is not to establish some type of cure-all for the systemic problems in the game's governance but to seek ways to make that governance fairer, more robust and more fitting for a global sport in the 21st century.

Mr Gregory Campbell (East Londonderry) (DUP): I congratulate the hon. Gentleman on the timeliness of this debate. Does he not agree that an essential element in coming to grips with the problem of the modern-day game is that however difficult it is, we must grasp the nettle of the obscenity of the six-figure-sum-per-week footballer, which is totally unsustainable and is corrupting the game from within?

Steve Rotheram: It is a difficult issue. I am a supporter of one of the supposedly big four—Manchester United, Arsenal, Chelsea and Liverpool—and that is how we and some other clubs attract the big footballers. Implementing that idea would be like turkeys voting for Christmas, but I understand the rationale behind the obscenity of somebody earning such huge sums when the people paying his wages are on a fraction of what he earns a year.

I have described the "Why?", so the next question is "How?". What can we as politicians do to assist? The social value report that I mentioned concluded with several recommendations on how national Government can do their bit. Time constraints prevent me from listing them, but they are excellent ideas worthy of serious exploration, and I urge interested colleagues to take a look at the document.

Having made a fundamental commitment to encouraging reform, the coalition Government have not yet revealed how they intend to proceed, but the previous Labour Government published a raft of proposals before the 2010 election. They include making Government support—especially financial support—conditional on co-operation, creating the right framework for better regulation from

the top down and grassroots up, and working with governing bodies to enshrine supporters' rights to buy their clubs and/or be represented in the ownership and governance of the club.

Jim Shannon (Strangford) (DUP): One thing that people have mentioned to me is their concern about admission fees. A well-heeled Chelsea supporter can attend matches on a regular basis; an Arsenal supporter does not have to be as rich, because Arsenal's system allows admission; a Bradford supporter can probably go to every match. A Leicester City supporter like me unfortunately cannot attend due to distance. In the governance Act that the hon. Gentleman proposes, will supporters' clubs have input into admission fees?

Steve Rotheram: The dichotomy is that in some of the foreign models where football supporters are represented on boards, match ticket prices are much lower than in the premier league. Anyone who goes to Europe—as we will do this year, although on a much lesser basis than in previous seasons—will find out when they buy tickets that European games are always much cheaper than their equivalents in the premier league. One does not always go with the other. Football supporter representation at least gives that concern a voice.

It is more easily said than done. In the current political and economic climate, many difficulties and setbacks lie ahead. Any lack of will or any outright resistance by the parties involved—the Government, the governing authorities and the premiership clubs—will make the task more challenging. In its 2009 report, the all-party parliamentary group on football recommended a straightforward, one-size-fits-all solution: an elected supporters' representative drawn from the relevant supporters' trust should sit on the board of all 92 football league and premier league clubs. The group also suggested that a requirement to involve supporters should be a prerequisite for future takeovers—that is interesting to a few of us here—and that the football regulatory authority can evaluate that as part of the reformed "fit and proper person" test.

Penny Mordaunt (Portsmouth North) (Con): I am a Portsmouth fan, so I welcome the momentum behind football reform, but I would like to introduce a note of caution. I support fan ownership, but we might be asking fans who are already paying clubs large amounts of their disposable income to have a stake in those clubs that is not genuinely meaningful. A Portsmouth fan might want a veto on a new owner or the sell-off of land. I welcome what the hon. Gentleman says about focusing on governance structures, and I hope that we do not miss some quick wins on that front by focusing solely on ownership.

Steve Rotheram: What happened to Portsmouth is an absolute disgrace. Football supporters on the relevant boards might at least have been able to inform other Portsmouth supporters what was going on. Apparently, one owner did not even know that he was no longer the owner after the club was sold. That is an absolute disgrace to football governance, which is why something needs to happen and the Government need to take some control.

The football regulatory authority is a good starting point, but it makes no provision for supporters seeking outright control or ownership or those locking horns with the behemoths of the game. We need to go further and faster. Given all that, and in the absence of any overarching, fully independent body to propel matters forward, I urge the all-party group on football to undertake a fresh and specific inquiry into the subject of this debate, with the aim of developing a spectrum of practical solutions and models allowing for a range of supporter involvement options.

I have spoken at length, because I have taken many interventions. I thank everyone for their patience, but I ask to be indulged for a minute or so longer. As we have heard in Members' passionate interventions, football is not just our national sport and a source of national pride—even for the Scottish Members here today, who will remember that 97th-minute winner. At one end, football is a multi-billion-pound industry; at the other, it is a local business offering local employment opportunities. It cuts across age, class and geographical boundaries, and is one of the few unifying activities in our society. Every one of us here today, irrespective of the demographic profile of their constituency, represents significant numbers of football supporters.

For some time now, the beautiful game at its highest level has stood in danger of being blighted by controversy, debt, bitterness and poor performance, because it is structurally and organisationally out of kilter with modern Britain and the expectations and aspirations of our 21st-century democracy. Many football fans feel disillusioned and disfranchised by this great British institution. Let us put that right by doing all that we can as enlightened and socially responsible politicians to help to return football to the very people in our heartlands who made it so great.

Several hon. Members *rose*—

John Robertson (in the Chair): *Order.* Before we proceed any further, I should say that a number of people have indicated that they wish to speak. If colleagues are as brief as possible, we will get more people in.

10.7 am

Mr Mark Field (Cities of London and Westminster) (Con): I congratulate the hon. Member for Liverpool, Walton (Steve Rotheram) on enticing a bigger attendance than even the antics of the Independent Parliamentary Standards Authority. He is greatly to be congratulated. I suspect that I speak for virtually everyone here when I say that I share the sentiments in his final peroration about his passion for the game. I am also a keen and lifelong football fan, having followed the fortunes of Bury. I am glad to see that my hon. Friend the Member for Bury North (Mr Nuttall) is here; he will point out, as I suspect will many hon. Members, that it is the only Greater Manchester football club to be located in a Conservative constituency, although we will hopefully work on that in time.

I have been the vice-chairman of the all-party group on football, and I played a role in the debates and reports of 2003 and 2009, to which the hon. Member for Liverpool, Walton referred, on the governance and finance of the game. We have long argued that football as a whole is far too loosely regulated.

English football has undergone a dramatic transformation in the 18 years since the creation of the premiership, as the hon. Member for Stoke-on-Trent

[Mr Mark Field]

North (Joan Walley)—perhaps I should say the hon. Member for Burslem and Stoke—pointed out in her intervention. There is now an unprecedented and in many ways unbridgeable gulf between the top clubs and the rest, partly as a result of lax governance and the absence of effective regulation. The fact is that English football is a multi-billion pound global branding industry, with a hugely complex domestic structure and turf wars between the Football Association, the Football League and the premier league. As the hon. Member for Liverpool, Walton pointed out, frankly, such a situation works only to the interest of the very largest premier league clubs.

The new coalition Government have sought to introduce more co-operative types of club ownership, for example, by the fans. However, in reality, that will be virtually impossible to impose without ripping up company law and effectively nationalising privately owned businesses.

Alec Shelbrooke: Will my hon. Friend give way?

Mr Field: If my hon. Friend will excuse me, I will not. I know others want to contribute, so I shall speak for only a few moments.

Those people who push a somewhat idealistic view are a little misguided. In citing both Barcelona and Real Madrid as model clubs, the Minister made the important point that the massive advantage these two Spanish clubs have over any of their potential competitors in their home country is that they can sell their television rights in that market individually rather than collectively, as happens with the premiership. Before the world is too much older, I fear that there may be a big push to do something similar in this country—if not from the big four then from a big seven or eight that might emerge. That should be resisted at all costs.

I should also point out that the role of the president of a club such as Barcelona is similar to that of an owner in the UK—one must not get confused by the terminology. In Spain, a club that narrowly came fifth in its league, Real Mallorca, has been disbarred from European competition this year because of the magnitude of its debts. That is obviously a debate that will particularly affect Liverpool and Manchester United in their current state.

Some clubs do flourish under co-operative ownership; for example, Exeter City briefly dropped out of the league and have come back much stronger. However, co-operative ownership has also led to some big problems. Stockport County is a good example of a club that has ended up in administration. It has only just come out of administration after a damaging period in its history, which occurred after following that particular model. Forcing a single one-size-fits-all ownership model on all clubs is wrong. I am sure that some clubs would gain from co-operative ownership models, but others could fail. One ownership model will not necessarily fit the demands of every single football club. The reality is that vast majority of clubs are in one form or another owned by fans. Sometimes that might involve individuals—men and women—pumping millions of pounds into their team. They might get very little credit or support from the supporters of a club for doing so.

I would like to mention a couple of things that are happening outside the premiership, because much of the debate has inevitably focused on the big four—or at least the big 20—within the premiership. The attendance of Football League games last year exceeded 17 million, and the league clubs' community teams worked locally with more than 1.5 million people. I have had a chance to see one or two of those projects over the years and, most recently, I have watched what has been happening with Crystal Palace. That club has been in great financial difficulties, but it has done a tremendous amount of work with its academy and has ensured that educational standards have remained tremendously high for young players, some of whom are breaking into the first team already. Such clubs are very much at the heart of their communities, and I think that many hon. Members in this Chamber who are here to represent football clubs will share the community values referred to by the hon. Member for Liverpool, Walton.

The reality is that there are quite effective cost controls in league two—the fourth tier of the English professional game—because clubs cannot spend more than 60% of their turnover on players' wages. That measure has been extremely effective and I hope that it is rolled out to other parts of our professional game. There is no doubt that the championship—the second tier of football—is massively financially overstretched because of the huge incentive of going into the premiership. Parachute payments have been extended from two to four years for clubs that come out of it—in other words, provided that a club spends one year in every five in the premiership, the road seems to be paved with gold. However, all sorts of problems arise as a result of that.

We need to make it absolutely clear—I hope the Minister will do so—that it is important to pay immediate attention to proper cost controls within our national game. If we can find a way forward in that regard, it will allow our clubs to focus on what they do best in their communities. We need to ensure that they have proper community facilities and are engaged in youth development at academy level and within their local vicinity. The funds required for that crucial work, which is very much part of the big society, can be obtained only through having proper cost controls within our game. There is a vicious cycle that must be broken at the earliest opportunity.

Several hon. Members *rose—*

John Robertson (in the Chair): Order. It is my intention to call the Front Benchers at 10.45 am. I call Barbara Keeley.

10.14 am

Barbara Keeley (Worsley and Eccles South) (Lab): It is a pleasure to serve under your chairmanship, Mr Robertson. I congratulate my hon. Friend the Member for Liverpool, Walton (Steve Rotheram) on securing the debate; he spoke very well. I am not speaking as a football fan, but am here to represent fans. I have received more than 50 notes from constituents who are supporters of Manchester United. I am sure many hon. Members in this Chamber have also received such correspondence—those from Salford and further afield.

Steve Rotheram: Much further afield.

Barbara Keeley: And those from much further afield. The constituents who have contacted me are also members of the Manchester United Supporters Trust. They have become disillusioned with how their club is being run and are concerned about the state of the national game. They think that football must start to be regulated properly and have its governance reformed.

Many Manchester United supporters in my constituency are greatly concerned that their club is now the most heavily indebted club in the world, after a hostile and highly leveraged takeover by the Glazer family in 2005. My right hon. Friend the Member for Salford and Eccles (Hazel Blears) touched on the debt situation of that club. Prior to the takeover, the club had no debt at all. It now services debts in excess of £750 million. Although the club is still reporting a healthy operating profit, the money is not necessarily going into improving the club; it is being spent just on servicing the debt. The 2009 report by the all-party group on football points out that supporters paying off the debt in such situations do not even have a tangible influence over the direction of the club. As with Portsmouth's situation, the longer-term future of the club is no longer assured.

That level of debt and uncertainty has a clear impact on supporters. Many feel that the decisions made by controlling interests in the club in the boardroom do not demonstrate long-term commitment to the club and its supporters. That is why dissatisfaction sometimes breaks out and there is a sea of green and gold instead of red at big matches at Wembley. My constituents rightly feel it is time for dedicated football fans to be given some sort of stake in the clubs that they and their families have helped to build over many years.

Football clubs are an integral part of the community, and their ownership and financial management should not just be dealt with through company law. Indeed, I remember when Manchester United behaved as if it was part of the local community in Trafford, where the club is based. When I was a Trafford councillor, a young David Beckham came to open a new centre for young people leaving care. Members of the team made visits to schools to read to children during reading weeks and the players were much more involved in the community that was home to their club. That changed and the players started to be seen more as a corporate resource. Prices for tickets and kit increased dramatically and players' salaries soared. It has become much harder to see clubs such as Manchester United as part of our local community.

There should be stronger regulation to ensure that those owning and running football clubs understand their wider responsibilities to the community. Football clubs should not be run on the basis of massive debt, which can threaten the stability of both individual clubs and the health of the game as a whole. At the moment, the game has clear laws enforced by referees and assistants on the field. However, off the field, it is like trying to play a game with hardly any pitch markings, unclear laws and no referees. That is why, off the field, various forms of financial crisis are appearing all over the place—from Cardiff City to King's Lynn, from Chester City to Southend, and from Manchester United and Liverpool to Portsmouth. We could say that governance in the football industry is no better than the governance of the banking industry over recent years.

There is plenty of legislation on football, but it is directed at the fans—for example, on all-seater stadiums, football banning orders and controls on drinking in sight of the pitch. What about some legislation to constrain what goes on in the boardroom? Legal models from elsewhere could be adapted to work in England and Wales. We have heard about examples from Germany, but there are also examples in France, the United States and Canada. Spain already has a national sports law that establishes a statutory national sports council and a special company status of sporting limited company. That law is not perfect—I understand that the Spanish Parliament is considering reforming it—but it does give a clear legal context for professional and amateur sport and recognises the unique characteristics of professional sports clubs. Will the Minister say whether he has considered or intends to consider other models of governance for professional sports clubs?

Hugh Robertson: Does the hon. Lady want me to respond now?

Barbara Keeley: The Minister can do so when he is summing up, given the number of hon. Members who wish to speak.

It may also be time to consider the tax regime that gave financial incentives to leverage buy-outs, such as the takeover of Manchester United by the Glazers, and whether such tax breaks are any longer appropriate.

Supporters and fans need the Government to take action to improve the governance of football in this country. The Sports Minister made commitments to do that, but more recently he seems to have softened those commitments, saying:

> "We'll give football the chance to sort itself out first by seeing how they plan to reform over the summer, and if it doesn't work then the Government will step in. We need to take a serious look at reforming the governance and structure of football in this country."

Will the Minister tell us today what plans the Government have after the summer to step in and take action, and when does he propose to start?

On fans owning their clubs wholly or in part, I believe that ordinary company law is insufficient because football clubs are not ordinary companies, which is shown by the fact that they are called clubs. That is how most of them started: they were clubs that were rooted in their local communities, not profit-making entities. They trade on the name, history and traditions of the city and the community they come from. They are unlike other businesses and should be treated as such. Football clubs are unique, and their sole purpose should not be to make profit for one individual or company at the expense of their fans and the wider community.

I will finish by saying that one never hears of anyone wanting to have their ashes scattered on the car park of their local supermarket or business park after they die. However, fans do want their ashes to be scattered in their football clubs. That is why football clubs are different.

10.21 am

Robert Halfon (Harlow) (Con): I congratulate the hon. Member for Liverpool, Walton (Steve Rotheram) on securing this important debate. I agree with many of the sentiments that he expressed and with the points made by my hon. Friend the Member for Suffolk Coastal

[Robert Halfon]

(Dr Coffey) on tax incentives to encourage more democracy in football clubs. Football is close to my heart. I am proud to have a good and strong club in Harlow, and regularly meet its owner to discuss its plans; it is good to see the club back on track after years of difficulties. The new management team have some exciting plans, which I am sure will mean a great season.

I am a community Conservative, which is why I support moves for co-operative ownership of football clubs and other football institutions. I believe that we must have a democratic revolution that will give fans a greater say in the running of their local clubs. As the hon. Member for Liverpool, Walton mentioned, the Conservative pledge was to reform football governance arrangements so that co-operative ownership models could be established by supporters as part of a wider package of reform of football finance and governance. To adapt what Abraham Lincoln famously said of democracy, I hope that our Government will give football clubs a new birth of freedom, so that football of the people, by the people and for the people shall not perish from the earth.

However, the problem is not only with local clubs ignoring their fans. In my view, the real obstacle is the failed managers, failed contracts and the failed payouts—some say that it is up to £50 million or £60 million—of the Football Association itself. Some Members will have read my early-day motion 329, tabled before the recess, which called for the FA board to resign following the England World cup debacle. I said that that was the time for a democratic revolution, led by the fans, to transform football governance in our country.

The FA board is run like a Byzantine court, with decisions being made like puffs of white smoke appearing from the Vatican rooftops. The FA enjoys a virtual monopoly over the sport. It is a semi-public body and its activities are of great public concern, so the public must have some means of redress. Currently, its board is not democratically accountable to fans, and it is not even bureaucratically accountable to any outside body. That is why I tabled early-day motion 374, which calls for a complete overhaul of the way the FA is run so that the organisation can become truly accountable to England fans. There must be a form of voting rights that would give England supporters the opportunity to have their say on who should be in charge at the FA. If the FA board can be booted out by the fans, it will start to sit up and listen.

My solution would be the introduction of a paid subscription system—perhaps £50 a year—whereby England fans could exercise voting rights in the FA. It would be like a co-operative shareholding, but limited to one vote for each person. It would be in the national interest for England fans to be able to vote for the FA board and chairman and to fire them if they did a bad job. Fans could vote for the board and chairman for a three or four-year term. They would also have the right to decide the level of spending on grass-roots and community football, and to vote on the annual budget report.

I wholeheartedly support our coalition agreement, which refers to reforming football governance and institutions so that co-operative ownership models can be established by supporters. My plea is that the FA should be included in those reforms and freed from the iron grip of the premier league. As a Conservative, my hope is that the FA would adopt those reforms voluntarily. Just as the people of this country elect the Government, so the fans should have some say in the state of our national game. I want all England fans to be able to say genuinely that we are all in this together, and for that to be backed up by real community power. Enough is enough: if England are to win a major tournament, we cannot go on as we are. If the FA does not reform itself, I urge the Minister to develop a framework for serious reform.

10.25 am

Mr Dave Watts (St Helens North) (Lab): I thank my hon. Friend the Member for Liverpool, Walton (Steve Rotheram) for securing the debate—he has been in the House only since May but he is already making a major impact, both here and in his constituency. I declare an interest as a lifelong member and supporter of Liverpool FC. Ever since my father first took me to the Kop at age seven, I have been lucky enough to be a supporter of the most successful club in Britain, and the one with the greatest fans—there, I have started my comments with an uncontroversial point.

I agree wholeheartedly with my hon. Friend that the recommendations in the report and the suggestions that he has made today are the right way forward to ensure that no further clubs fall into the same position as Manchester United and Liverpool, but I do not think that they will address our problems with those clubs. When one looks at the finances of both clubs, it is hard to see how they will reverse their terminal decline and move forward in a positive way. That is because the politicians and the football authorities have badly let down the fans by accepting that football is nothing more than a business.

I remember having a discussion with someone from the premier league who said, "It's just like Tesco; it's a business." I replied that there was a massive difference between a football club and a supermarket. If I do not like the product or the price in Tesco, I can go to Asda, but it is highly unlikely that I, as a Liverpool fan, would go to watch Everton if I did not like the product or the price. It is unlikely that a Manchester United supporter would go to watch Manchester City—that is not going to happen. There is a massive difference, and we must take that into account when looking forward at how to deal with the problems.

Mr George Howarth: My hon. Friend, as a Member for St Helens, should know that there is an alternative club available: Prescot Cables.

Mr Watts: I know that that club has an illustrious past. I remember that a prominent member of the Liverpool squad—Tony Hateley—signed for Prescot Cables in later life, and he did well.

We need to think about how we can move on. We have let the fans down badly by allowing people such as Glazer, Gillett and Hicks to take over our clubs, frankly, with no money. They borrow money from elsewhere before taking over a club and treating it like a cash cow. When Glazer wants some money for his other businesses, he goes along and takes the money out of the club. In the case of Hicks and Gillett, they bought the club to

sell 12 months or two years later for twice the price they paid, without having put anything into it. We cannot accept the current situation or trust the football authorities any further. We need an independent regulator who will put the fans first and take into account the vested interest that already exists in the premier league.

I agree with the comments made the hon. Member for Suffolk Coastal (Dr Coffey) on the need to reform tax legislation, and with the comments made by my hon. Friend the Member for Worsley and Eccles South (Barbara Keeley) on company law. We will address the problem only if we make special provision for football and take into account the fact that it is not just a business, but something that is important to people. As footballs fans, we might be politicians or take a great interest in politics, but the one thing that normally overrules that—I see it all the time—is people taking as much interest in their football team as they do in politics. For ordinary people, it is a way of life, but we have already priced millions of fans out of the game.

I support the proposals of my hon. Friend the Member for Liverpool, Walton, and hope that Ministers will listen to them and take them on board. We need to ensure that no other clubs fall as Manchester United and Liverpool have fallen, but also to look carefully at their situation. We need to see what we can do to get rid of those three individuals and to ensure that people who have the best interests of the club and the community at heart take over the clubs.

10.30 am

Richard Fuller (Bedford) (Con): I shall be brief because I have a bit of a cold.

I am probably in a unique position. When I was seeking to stand for Parliament, and my party was interviewing candidates, one question was a catch-all about any indiscretions I might want to describe. My reply was, "Actually, I don't like football." I am here not because of that but because many of my constituents are passionate about football. It is an essential part of the fabric of the English character. I am here not only because many of my constituents support national football teams, but because of the work of the Bedford Eagles Supporters Trust, which is a community organisation supporting football. It has worked through the generations to support our team, even when we were sometimes competing against the likes of Arsenal, Everton and Newcastle in the FA cup—relatively successfully. Bedford Town is not one of the big teams, but it is a home for people who believe passionately in football. No more vivid illustration of the character of supporters is drawn than when, as many hon. Members have mentioned, clubs are in trouble—and the supporters come to their rescue. Why do they not have a voice in the good times as well?

I am here because of the supporters' work and because I am passionate about the concept of the big society. The Government have a huge opportunity to make real the concept of the big society, and to introduce plans about what they will do to support organisations such as the Bedford Eagles Supporters Trust in the case of community teams and, as the hon. Member for Liverpool, Walton (Steve Rotheram) said, the supporters of large teams, to make real and tangible to the people of this country what is meant by what my hon. Friend the Member for Harlow (Robert Halfon) called community conservatism. We can all agree with that. We do not want to hear vague recommendations about trying to work with people or trying to get support. We want real action from the Government to support the people who, every day and every week, in their hearts, believe in the clubs they support and represent.

10.33 am

Tom Greatrex (Rutherglen and Hamilton West) (Lab/Co-op): Thank you, Mr Robertson, for the opportunity to speak in this important, significant and—judging by the number of hon. Members here and the number of people in the Gallery—popular debate. I, too, have had e-mails from members of the Manchester United Supporters Trust. I am sure that nearly everyone has. I am not sure whether the hon. Member for Guildford (Anne Milton), is present, but I suspect that she might have had the most of all.

I congratulate my hon. Friend the Member for Liverpool, Walton (Steve Rotheram) on securing the debate. As he said, his constituency is home to two professional clubs, which have had problems at various times over governance, ownership, fan involvement and stadiums. My constituency does not have any professional clubs—Celtic and Hamilton are just outside the boundaries—although it is home to the junior clubs of Rutherglen Glencairn, Cambuslang Rangers and Blantyre Victoria.

I wish to declare an interest, as a Co-operative Member of Parliament: Supporters Direct was born out of the co-operative movement, and the Co-operative party was very involved. As the founding chair of the Fulham Supporters Trust, I would like to speak from the perspective of being involved with, establishing and running a supporters' trust. I was involved in that long before I had any pretensions to enter elected politics.

The Fulham Supporters Trust was born from a specific and ultimately successful campaign about a football stadium. The people running Fulham football club deigned to believe that the future of the club would be better served by moving away from our traditional community and catchment area to a new ground, for the financial benefits that they prescribed would follow. Such circumstances are typical, and many trusts have come into being in response to a campaign. The issues arise when people running clubs make a mess of things: of the finances, of the issues around the stadium or of how they communicate with and involve supporters.

Such a situation shows where the importance of supporters' trusts lies and what we need to make clear in discussion. Often, club ownership, which is so disparate in character, is not the issue. However, the people below the level of ownership—those who are in charge of running clubs—often take the attitude that football supporters and fans have no business in being interested in or involved with, or in taking a view on, what is happening in the running of their club. Yet we have seen from examples, to which hon. Members have alluded, that they can in fact do a far better job than some of the paid professionals. Supporters have had to ride to the rescue on far too many occasions.

One of the most important aspects to be dealt with is the involvement of trusts other than at a time of crisis—that is, not just when rescuing a situation because no one else is prepared to take up the challenge. The role of

[Tom Greatrex]

Supporters Direct is therefore crucial. For those of us involved in establishing and running trusts, Supporters Direct has been a superb resource—an efficient and effective organisation run, as far as I can tell, on very little money. It has done a great job of providing guidance and advice to supporters' trusts. I have asked questions of the Minister and we corresponded on the issue early on in the Parliament. I hope that since our exchange he has had the opportunity to meet Supporters Direct and to understand its work. I hope that he will refer to that in his closing remarks.

As other Members have mentioned—I welcome the words of the hon. Member for Bedford (Richard Fuller) in particular—the coalition Government have said a lot about mutualism, the big society and such issues. It would be great if we could see a concrete example of that sometimes rather difficult-to-grasp concept in how supporters are involved in their clubs—not just football clubs, but rugby league clubs and other sports that are starting to develop the trust model.

My main point is that supporters are often underestimated and quite often dismissed. Too often, the attitude of clubs is to see supporters as an irritant. If the clubs expended as much energy and time in involving supporters and their organisations as they do, in some cases, denigrating them, that would be a much better use of time and energy. I hope that that message comes out of today's debate. It is not about what some people have alluded to as imposing a model on all clubs and all situations. It is about involvement and awareness, which can help the way in which clubs are run. That is why I commend the direction in which Arsenal has developed: a progressive trust that might allow early involvement, to prevent some of those problems that would need trusts and fans' organisations to ride to the rescue. I hope that the Minister can respond to some of the issues that have been raised and give assurances about how Supporters Direct will exist in future.

10.39 am

Justin Tomlinson (North Swindon) (Con): I congratulate the hon. Member for Liverpool, Walton (Steve Rotheram) on securing the debate. We have all enjoyed having lots of football-related e-mails, which makes a pleasant change from some of the casework that is sent to us.

I will be brief because I am conscious that a lot of other people want to speak. Many Members have made excellent points, but I want to touch briefly on three issues. The priority has to be to tighten up the "fit and proper" test. As we have seen with Manchester United, Liverpool, Portsmouth, some of the previous owners at my local club, Swindon Town, and huge swathes of non-league football clubs, unsuitable individuals rip out the heart of the community and decimate something that is so important to many people.

I fully support the need for fan representation on clubs. I am interested in the idea of fan representation being built into any future takeover. Working with the Swindon Town supporters' trust in previous years, I pushed hard to get fans included for two reasons: first, so that the club would be open and transparent, and, secondly, because surely it makes commercial sense and is a good thing for football clubs to be connected to their supporters—their customers, the people who are digging deep to fund ever-growing transfer fees. Actually, at non-league level, Swindon Supermarine, the other club in Swindon, faced dropping down two divisions this season unless it found £40,000. The fans got together—many hands make light work—and I am delighted that the club is still in the same division and competing well.

My final point, which I shall make quickly, is that there must be reality checks in the system. As was mentioned earlier, not all individuals who invest in clubs are terrible people. A good example was Jack Walker at Blackburn Rovers. Not only did he invest in the club that he supported from his youth—my mother remembers standing next to him on the terraces—but the trust is still putting some £3 million into protecting the club. That is an example of looking after fans in the community, and is a bit of a reality check. For all the bad individuals, there are many good individuals—it is a matter of getting the right balance.

10.41 am

Mr Dai Havard (Merthyr Tydfil and Rhymney) (Lab): I am deliberately wearing a Merthyr rugby club tie this morning, and I have come to talk about Wales, women and football.

I am wearing the tie because I am a supporter of the soccer club. That sounds bizarre, and it is bizarre, in the sense that Merthyr is a particular place. It has always had an interest in both games, both of which flourish in the town. It is odd, perhaps, to see that in a Welsh valley town. Merthyr soccer club is 100 years old, and is now a trust. It has struggled, kicking and screaming, to get to that position, and it needs assistance. This is not just about Liverpool, Arsenal, London or England. It is about something bigger than that. It is about the game of football, which is also about health and community. It is not about potentates, oligarchs and bandits of various descriptions from around the world manipulating the UK tax regime to make profit. That is not really what it is about. Football has a power beyond that, and we need to get a regulatory framework in place at the top of the game because the money-making process at the top, which we all know is now the real power of sport, perverts and distorts the whole of a process that could be something much greater than that.

Let us be clear on the business of sharing facilities. If we democratise the process a little and speak to the people who are really interested in the game of football, and to those who actually play it, we find that what they really want is for the game to flourish, not for it to be perverted by some process. One of my local pubs has now formed its own team. People are trying to play football—they want to do it—but they are not being helped to do so.

When Merthyr soccer club was in private ownership, it received some television money. They had one game in the FA cup, because they play in the English pyramid—they do not play in the Welsh league. I believe they lost 1-0 to Walsall. Sky was bumping gums about Merthyr Tydfil a lot yesterday. It did one thing for Merthyr: it provided that one game. In one night, a little bit of Sky TV money provided two years' revenue. Where did the money go? I have no idea. It went into some financial soup that the owner of the club was involved with at the time. There was no transparency.

The one word that we need to hang on to in all of this is "transparency". We need a process in which people can see what is happening in the game. They will then understand it, and they will exert pressure. A social enterprise model would be the right one for many places. It would build the community, and clubs would run academies if we allowed them to—they have a lot to say about education—and run them properly. We know all those things, so that model is crucial.

I am afraid that, yes, television money has to be part of the discussion. The situation is difficult and unfortunate, but television money is perverting the process—that and the tax regime.

I ask the Minister to deal with those three things: television, tax and transparency. Obviously, everyone is waiting for him to say what he will do. Was he serious when he referred during the summer to drinking in the last chance saloon? I would like to know what plans the clubs have come up with for reforming themselves. If they do not do that, my money is on him as the man to do it for them.

10.44 am

Mr Gerry Sutcliffe (Bradford South) (Lab): It is a great pleasure to serve under your chairmanship, Mr Robertson. I congratulate my hon. Friend the Member for Liverpool, Walton (Steve Rotheram) on securing this debate, and on the large turnout of right hon. and hon. Members from both sides of the House. It is important that football authorities get the message that we will not go away. Some people in the football authorities think that politicians should have no truck with the running of football, and I believe they were rather pleased when there was a change of Government. Perhaps they are not now—we will hear what the Minister has to say shortly.

On the momentum of what the Labour Government were trying to achieve on governance issues, there is always a problem for a Government in their relationship with sport. It is the Government's role not to run sport but to create the circumstances in which sport flourishes. Football is our national game. Some progress has been made, but not enough and not fast enough.

Supporters' trusts are important, and I am grateful to my hon. Friend for pointing out that it was a Labour Government who introduced them and, indeed, Supporters Direct. I would be grateful if the Minister updated us on funding for Supporters Direct. Richard Caborn, who was then the Sports Minister, entered into an arrangement with the premier league to look at the Football Foundation and new ways of funding Supporters Direct. I hope the Minister can give us some comfort about that funding, because it is important that Supporters Direct continue its work not only in football but in other sports.

So the debate is about momentum. It is about ensuring that we keep the pressure on football authorities. My right hon. Friend the Member for Leigh (Andy Burnham), now the shadow Secretary of State for Health, wrote, as Secretary of State for Department for Culture, Media and Sport, to the premier league, the Football Association and the Football League about the very issues that we have been discussing today—the "fit and proper person" test, transparency, and clubs looking to their communities and fans for support—but also about the different models on offer. It is right that we do not have a one-size-fits-all model; there are different models, and they should be developed.

We have been told that the Government should not get involved because the international federations would not like it—that UEFA and FIFA take exception to Governments trying to get involved in the running of football. Up to a point, that is true, but I know from discussions I had with FIFA and UEFA that they were concerned about the sustainability of debt in the English game, and that is why it was important that we put pressure on the football authorities to respond.

The FA has a tremendous role to play. Obviously, I am saddened by the demise of Lord Triesman in the role of independent chairman and by the resignation of Ian Watmore as chief executive. The FA has a key role to play, and how it replaces Lord Triesman will be important. The Minister might want to develop that theme. I am surprised at the time that it will take, given what needs to happen.

The hon. Member for Cities of London and Westminster (Mr Field) spoke about turf wars. The FA has a key role in sorting them out, and in ensuring that, for the good of the game and our communities, supporters' trust models can develop and we can look at other ways of doing things.

Alison McGovern (Wirral South) (Lab): My hon. Friend mentioned supporters' trusts. Will he congratulate the Tranmere Rovers supporters close to my constituency who ingeniously came up with the Les Aid fund to aid the manager, Les Parry, in developing the squad? The supporters came up with great fund-raising models and are able this season to inject cash into the club and get it through its league one campaign.

Mr Sutcliffe: I am happy to do that, and to congratulate all supporters' trusts on the innovative models they have come up with for their own clubs. There are some tremendous examples of supporters' trusts working with local communities.

Clearly, financing the game is a key factor, and people have spoken about the disparity between the premier and the lower leagues. I was heartened by the conference league's changing its rules to ensure that clubs have transparency and the right approach. The Football League is now going in the right direction with the league two regime. We cannot say that there has been no progress. There certainly has been progress, and we have seen some real changes in the premier league and Football League. We are happy that they have taken place, but change needs to continue and to happen more.

It is also important that the Government do what they can to support clubs when they are in trouble. The Revenue's relationships with football clubs needs to be looked at. I understand that Sheffield Wednesday may have a problem at the moment, so the Minister might want to consider that.

On the Labour party's election manifesto, we were prepared to legislate, because we had tried to get the authorities on board but that approach was not working fast enough or quickly enough. I am interested in hearing what the Minister has to say about that.

Dr William McCrea (South Antrim) (DUP): During the election, both major parties promised to tackle the issues of debt, better regulation, transparency and supporter

[Dr William McCrea]

ownership. What practical steps does the shadow Minister suggest that the Minister take to make those things a reality?

Mr Sutcliffe: A starting point would be to follow through with the seven questions put to the football authorities. People have talked about the "fit and proper person" test, but there are three tests and those need to be reduced to a single one on transparency. My hon. Friend made a good suggestion about the all-party group's continuing to consider this matter, because that will help the Minister. One frustrating thing about being Minister for Sport—the best job in Government—is the amount of time that dealing with football takes. It is helpful for the all-party group to be involved and to continue the discussion on the issues raised this morning.

I will stop at that point, because right hon. and hon. Members want to hear what the Minister has to say.

10.51 am

The Minister for Sport and the Olympics (Hugh Robertson): Before I start, Mr Robertson, may I pay tribute to the work done by the hon. Member for Bradford South (Mr Sutcliffe) in this and so many other areas across the sports spectrum? This is the first time I have had the opportunity to do so, because questions were not asked directly during the first round of Culture, Media and Sport questions. The hon. Gentleman had a good innings as Minister for Sport, and many officials in my Department rate him highly. I thank him for his contribution.

I congratulate the hon. Member for Liverpool, Walton (Steve Rotheram) on securing this debate. He reiterated, as he did in his maiden speech, his views about the current ownership of the club that he supports—Liverpool—and his desire for supporters to have a greater role in running football clubs. The twin aims of greater supporter involvement in running football clubs and the reform of football governance are shared across the political spectrum and are, as the hon. Gentleman correctly said, part of the coalition agreement. However, I have to tell him that, although the issue is widely agreed in this place, it is not entirely shared in the wider football family. There is a battle to be fought to convince the football family of the merits of this case.

I will deal in a moment with various points raised by hon. Members, but before we get into that, it might help if I say that developments at Arsenal football club have been some of the most encouraging in recent months. I intend to meet that club urgently to examine precisely how we can encourage other football clubs to put in place a similar scheme. If one thing that anybody has said to me or that I have read about this matter has stood out in recent months, it is a quote from Arsenal's chief executive—an enlightened, able individual—who said:

"I think we are moving into a post-materialistic world."

That is an interesting phrase, which sums up my approach to football. People who think that football can be run solely and completely as a business have got it wrong. Of course there are business elements in football—it has to be run properly; nobody in this Chamber would deny that—but it is a business with a social conscience. Football is an important part of the lives of the many millions of fans who turn up to watch and play the game, or who follow it casually in the newspapers or on television. Everybody involved in the game ignores that at their peril.

Mr Watts: May I caution the Minister against seeing a solution for the rest of football in the example of Arsenal? The owners of Arsenal want to protect the club from the sort of people who have taken over our club, and Manchester United. It is not a typical example and we need to be cautious about that.

Hugh Robertson: Absolutely. Here we get into the problem with the process. It is pointless for me to pretend that there is a one-size-fits-all solution. If there were, I am sure that it would have been implemented in the past few years.

The Spanish model has been cited at length this morning, but, as has been said correctly, two clubs sit at the top of La Liga and they have huge financial resources because they negotiate their own television rights. Hon. Members asked about Spanish sports law. I asked about that a month ago and was told that there were so many faulty aspects to it that the Spanish are now trying to re-regulate. The Spanish model is not always a great example, although some aspects of it might be relevant. We are not starting from the same point as many of the Spanish clubs.

As a young Army officer in the middle of the siege of Sarajevo, I remember saying, "I wish this was different, because this is a disaster." Someone replied, "You can't deal with a situation you wish you had. You have to deal with the one that's in front of you." That is the problem.

Mr George Howarth: The hon. Member for Cities of London and Westminster (Mr Field) mentioned the difficulties in dealing with privately owned clubs, particularly at premiership level. The one negotiating chip is the ownership of the fixtures list, with all its consequences in relation to television rights. Is the Minister prepared to consider that?

Hugh Robertson: To be honest with the right hon. Gentleman, whom I know well, I am prepared to consider any sensible suggestion that will move this discussion on. What he has mentioned is part of a much wider debate that many sports are having about betting rights and image protection. There are considerable problems with betting rights, because if a levy were taken from the bookmakers they would simply move offshore. Many Opposition Members who represent constituencies where bookmaking is a big thing would notice that. The shadow Minister will have scars on his back from that debate.

Cathy Jamieson (Kilmarnock and Loudoun) (Lab/Co-op): I agree with the point about one size not fitting all. Will the Minister return to a point made by a number of hon. Members about the future of Supporters Direct, which has surely been the key to capacity building for supporters' trusts, enabling them to find the right business model? The co-operative and mutual business model has been successful, and not just in football.

Hugh Robertson: I am happy to deal with that point, which relates to points made by the hon. Member for Bradford South. Let me reassure the hon. Gentleman and the hon. Lady that the approach taken on either the wider governance agenda or the funding of Supporters

Direct is no different from the position that the hon. Gentleman was negotiating at the end of his time in office.

The strength of this morning's debate lies in its representing the feeling throughout the House that something needs to be done. It is useful because it allows me to go back to the football authorities, put pressure on them and tell them that we had a Westminster Hall debate that was better attended even than those on the Independent Parliamentary Standards Authority. This debate is a pretty good weather vane, showing the strength of feeling on this issue. I am determined to make progress and to push ahead with both the wider reform agenda and football supporters' involvement.

It all comes back to the issue affecting every Member of Parliament in their constituency surgeries: there is a moment when they face somebody and ask, "What exactly do you want me to do about this?" There are a number of possible outcomes; some might work well for one club, but not for another. Many suggestions were made by hon. Members today and we might follow up on the issue of a tax concession, but no hon. Member in this Chamber will need reminding about the state of the nation's finances. Currently, six demands for taxation breaks for sport are sitting on my desk, including subs for junior sports clubs—*[Interruption.]*

Mr Sutcliffe *indicated assent.*

Hugh Robertson: The shadow Minister is nodding; he has been through all this. Other demands include corporation tax exemptions for sports governing bodies, so that they can invest in the grass roots; tax breaks to entice international federations back to London, so we can increase our influence; and a levy on the betting tax—and so it goes on. I am determined to ensure that the money that we have as a Government is targeted on getting more people, particularly young people, playing sport. That remains my overriding priority. However, I will consider the demands that have been made.

Jason McCartney (Colne Valley) (Con): I am lucky that Huddersfield Town, the football club that I support, which is on the edge of my constituency, is owned by a local businessman who is a lifelong fan. Social conscience is important. Last season's shirt sponsor for Huddersfield Town was the Yorkshire Air Ambulance charity. More than £100,000 was raised for that charity and for an academy. However, not all football clubs are so lucky; we have heard about Liverpool, Manchester United and others.

Please will the Minister push forward on considering how the Government can intervene? I do not have total confidence in football's governing bodies at the moment. There are issues to do with fit and proper persons and with transparency. The manager of Manchester United cannot even be made to fulfil his media obligations. Please continue pushing forward, to see how we can intervene and ensure that all clubs can have confidence that they are being run as well as Huddersfield Town is.

Hugh Robertson: The trouble with debates such as this is that they quickly turn into a basket of issues. We have not even touched on the 2018 bid, which I am sure all hon. Members will support and is the Government's top priority.

I thank the hon. Member for Liverpool, Walton for instigating the debate and I thank all hon. Members who have taken part in it. The governance reform agenda and how we secure greater involvement for supporters are both issues that I am—

John Robertson (in the Chair): Order.

Unscrupulous Landlords

11 am

Jon Cruddas (Dagenham and Rainham) (Lab): As the terraces empty from the previous debate, I want to make a few comments about unscrupulous landlords in the private rented sector. As a Portsmouth football club fan, I wish I had been present for the previous debate because I would have had something to say.

I apologise for my croaky voice—I am full of cold—but to set the scene, I shall read two quotes that clearly detail the Government's thinking. The first is from the Minister for Housing and Local Government, the right hon. Member for Welwyn Hatfield (Grant Shapps) who said as recently as June:

"With the vast majority of England's three million private tenants happy with the service they receive, I am satisfied that the current system strikes the right balance between the rights and responsibilities of tenants and landlords."

The second quote is even more recent, and was placed on the website of the Department for Communities and Local Government in August:

"In the past, over-regulation drove landlords out of the rented market. We don't want to introduce any measures which would form a barrier to potential landlords considering renting out their properties."

Those two quotes are unequivocal, and we conclude that the Government do not see a need for further protection for tenants or for the regulation of unscrupulous landlords, and that they believe the current arrangements strike the right balance, not least because of the fear of red tape. That is in contrast with the previous Government's views. At their departure, they had plans for a new national register of landlords, regulation of letting and management agents, and compulsory written tenancy agreements. The current Government's status quo position is unfortunate, and Shelter today announced a new investigation into rogue landlords, which aims to raise the profile of the private rented sector as a political issue.

Let us consider one basic statistic from Shelter. Nearly 1 million people throughout the UK have fallen victim to a scam involving a landlord or a rented property in the past three years, so on average, every MP will have just under 1,500 constituents who have been the victim of landlord scams. The purpose of this short debate is to help to raise awareness, to praise Shelter's campaign, to raise some concerns, and to ask the Government some questions. We want the Government to recognise the problem of rogue landlord activity in the private rented sector, and to take action because rogue landlords cause enormous damage to the lives of often vulnerable tenants, which may spread to the wider neighbourhood, resulting in run-down properties blighting communities.

Chris Leslie (Nottingham East) (Lab/Co-op): I commend my hon. Friend for securing this debate. My constituents include 165 leaseholders of the Peverel Group, which is a massive freehold landlord with 500 estates throughout the country. At a recent tribunal, they managed to claw their way to overturning a scam whereby leaseholders, when paying their service charge, find that one third of it is an odd cash-back arrangement between the insurer and the freeholder. There are many loopholes in the law, and I hope that he will press the Minister to change his mind and to take a more proactive stance today.

Jon Cruddas: If my hon. Friend will bear with me, I want to raise that precise matter. I appreciate and respect his experience.

The essential points that I want to make include the following. Most private landlords are responsible and honest in how they deal with their tenants. That is beyond dispute, but those who are not bring down the reputation of the whole sector. The Government must accept that Shelter's investigation has uncovered significant problems with rogue landlords that require action. Many aspects of existing law are not properly enforced by local authorities. They often do not treat this as a matter of priority or do not have a properly resourced enforcement team available.

Let us consider some basic statistics from Shelter. There are just over 3 million private rented households, representing 14.2% of all households. In that sector, 1.3 million tenants—approximately 40%—are in receipt of housing benefit. The sector has surged in popularity in recent years, with the percentage of households renting privately increasing by 40% since 2001. If that rate of increase continues, there will be more private renters than social renters within the next five years.

Some 80% of private renters are aged under 55; almost one third are aged 25 to 34; 58% of 16 to 24-year-olds are private renters, and 59% of private renters expect to buy in future, compared with 27% of social renters. However, compared with two years ago, private renters expect to rent for longer before being in a position to buy their own home. Vulnerable households who rent their accommodation privately are more likely to live in non-decent homes compared with social tenants—the averages being 51% and 26% respectively.

MPs regularly deal with problems associated with unscrupulous landlords, and my hon. Friend the Member for Nottingham East (Chris Leslie) touched on this. They include harassing tenants or throwing them out of their homes without notice, effectively making them homeless; failing to carry out essential maintenance, leading to unhealthy or unsafe conditions; deliberately ignoring the legal requirement to protect tenants' deposits using an approved scheme, and then unfairly withholding the deposit at the end of the tenancy; and driving tenants into arrears by adding exorbitant fees or charges to their account without telling them, and then presenting them and their guarantors with a huge unpaid bill at the end of the tenancy.

What does the law say? Harassment and illegal eviction are criminal offences. Local authorities can prosecute landlords who commit such crimes, and can serve improvement notices or prohibition orders if housing conditions fall below acceptable standards. If the landlord fails to comply, they can be prosecuted. Landlords and letting agents are legally obliged to protect tenants' deposits using an approved scheme, although that can be enforced only if a tenant takes the landlord to court. Landlords are now obliged to obtain a licence from their local authority to rent out larger houses in multiple occupation, and must meet certain standards to do so. Failure to obtain a licence is a criminal offence.

Mr Andrew Smith (Oxford East) (Lab): I congratulate my hon. Friend on securing this debate, and I commend the Shelter campaign. Does he agree that proper regulation of multiple occupation properties and private landlords must go hand in hand because the problems overlap?

Indeed, in retreating from and watering down the measures that the Labour Government were introducing, after much campaigning by many MPs on behalf of tenants in that sector, the coalition Government risk giving a green light to rogue landlords.

Jon Cruddas: I agree totally, and I shall conclude my comments with similar questions. My right hon. Friend will agree that rogue landlords escape the law because of three basic elements: lack of awareness by tenants, lack of enforcement, and lack of resources afforded to authorities to carry out such tasks. On lack of awareness, victims of rogue landlords frequently do not report them because they are not aware of their rights, or fear that if they come forward their landlord will find out and evict them. On lack of enforcement, the law is not enforced often enough. For example, in 2004 only 26 landlords were convicted or cautioned for unlawful eviction, and in 2008 only one person received a custodial sentence under the Protection from Eviction Act 1977.

Mike Weatherley (Hove) (Con): Does the hon. Gentleman agree that the legal process may be a little slow, not only for legal remedies for tenants, but for landlords when tenants are in arrears? Perhaps both problems should be examined.

Jon Cruddas: I do not dispute that there are occasionally problems on the other side, and I think we all agree on that. Such problems also need resolution, but they are completely and empirically outweighed by tenants' problems that confront us as MPs.

On lack of resources, the Government's Rogers review showed that more than 60% of councils devote a low or very low proportion of their regulatory resources to enforcing health and safety requirements or HMO licensing.

What can be done? The problem could be split between local and national Government. The Government could prioritise the private rented sector and give councils the tools that they need to force out rogue landlords. They could tighten the law to close the loopholes that rogue landlords use to exploit tenants, and they could make it easier for tenants to enforce their legal rights. Transparency and accountability could be increased, so that the public are better able to hold local politicians to account.

Local governments could prosecute rogue landlords and make use of the full range of tools and powers already at their disposal. They could be proactive in protecting tenants by carrying out regular housing condition surveys, and they could make sure that enforcement is properly resourced. They could also take advantage of the Housing Act 2004, which allows them to recoup costs by charging them to the landlord.

Today, Shelter has launched its campaign, and a new section of its website focuses specifically on action to tackle rogue landlords. It highlights the top scams that rogue landlords use against their tenants and releases the results of a survey produced jointly with the Chartered Institute of Environmental Health. It publicises the online and face-to-face advice service for people who have fallen victim to rogue landlords, and it encourages MPs to approach Shelter directly if they know of rogue landlords operating in their areas and to refer their constituents to the advice services.

I would like to refer to some of the key findings in the Shelter-CIEH survey. The results are stark: 99.2% of environmental health officers working in the private rented sector claim to have encountered landlords who persistently ignore their responsibilities; 96% of environmental health officers have encountered damp and mould; over 90% have found electrical hazards; and more than 91% have found fire safety hazards in the private rented sector. More than 60% of environmental health officers say that cases involving vulnerable people make up more than half their work load, and over half those officers believe that environmental health problems in the private rented sector are set to get worse over the next year.

Those issues cannot be separated from the wider policy context, which cannot be ignored. Many vulnerable people have been forced into the private rented sector because of the shortage of social housing. Local authorities increasingly look to the private rented sector to house homeless families, which in turn has forced up the bill for housing benefit. The Government spend millions of pounds on the private rented sector through the local housing allowance, and as a major customer in the sector, it is important that they properly monitor and question quality and standards. The recession has changed the nature of the private sector. There has been an increase in the supply of private lettings as home owners defer sales or are unable to sell and become "reluctant landlords". Meanwhile, the majority of people whose homes are repossessed will move into the private rented sector.

The National Landlords Association has warned that the coalition Government's planned changes to the local housing allowance will drive vulnerable tenants into the hands of rogue landlords. Making local housing allowance payments directly to landlords would make the market more attractive and secure for reputable landlords, while helping tenants who find it difficult to manage their finances.

As I said earlier, the Minister for Housing and Local Government has announced that Labour's plans for a new national register of landlords, the regulation of letting and managing agents, and compulsory written tenancy agreements will be scrapped in the name of protecting "good" landlords from red tape. The national register of landlords planned to allow tenants to make basic checks on prospective landlords. It aimed to make it easier for councils to identify local landlords, thereby making the enforcement of letting rules simpler. The regulation of letting and managing agents was aimed at tackling rogue landlords and driving out the worst practices, such as wrongful eviction. It aimed to raise standards and provide protection for landlords and tenants in the event of a dispute. The compulsory written tenancy agreements sought to strengthen the hand of tenants in the event of a dispute and to ensure that tenants and landlords were clear about their rights and responsibilities. In the light of Shelter's report, perhaps the Government will look again at those ideas and give them another hearing.

I know that my colleague, the hon. Member for St Austell and Newquay (Stephen Gilbert) wants to say a few words, so I shall conclude with some questions for the Minister. Does he recognise the problems with rogue landlords that Shelter has identified? Given the steady increase in the number of private renters, does he

[Jon Cruddas]

agree that tackling those problems should be a Government priority? Will the Government introduce measures in the decentralisation and localism Bill to ensure that local authorities can be properly held to account for their policies on tackling rogue landlords? What steps will the Government take to tackle rogue landlords who repeatedly commit the same offences?

Many MPs urged the last Government to fast forward their plans to implement the national register and to crack down on those unscrupulous landlords whom we have all come across. Those ideas appear to have been kicked into the long grass. I urge the Minister to study in detail the report launched today by Shelter and to come back and think again about what can be done to stop exploitation, harassment and negligence in the private rented sector.

11.14 am

Stephen Gilbert (St Austell and Newquay) (LD): I commend the hon. Member for Dagenham and Rainham (Jon Cruddas), and I thank him for securing this debate on the important research that Shelter has published and for allowing me to say a few words. Cornwall is experiencing an acute housing crisis, and the private rented sector continues to play an important role in addressing that crisis for my constituents. However, Shelter's research should be a cause of concern to hon. Members from all parties. We all know that the majority of landlords act responsibly and treat their tenants reasonably. Nevertheless, a minority of landlords are inflicting great suffering on vulnerable people.

Across the United Kingdom, 3 million households live within the private rented sector—that is 14.2% for statistics junkies. That number has grown massively over recent years, and in my constituency, latest statistics show that in Newquay, one in five homes—20%—is in the private rented sector. That is well above the England average. We must ensure that private landlords look after people in their care. That is an important issue across the country.

During the three or four months in which I have been a Member of Parliament, my constituency postbag has shown examples of the kind of rogue landlord activity that Shelter mentions in its report. That includes illegal evictions, sometimes including violence, or cutting off water and electricity to force people to leave their homes.

Last summer, a family of four were evicted without warning, under the threat of violence and the use of knives. They were left with only a car to sleep in while one of the family's daughters was doing her GCSEs. Another couple in my constituency, who have a small baby, were living in rotting, damp, leaky conditions. They were threatened by their landlord for reporting the situation to the environmental health officers that the hon. Member for Dagenham and Rainham referred to. The situation culminated in their utilities being cut off during a cold spell last winter.

Cases such as those and the many others across the country are unacceptable. We are hugely indebted to Shelter for its research and for bringing the problem to light at a national level. However, the issue is not just about violence and evictions. Tenants can suffer if landlords refuse to carry out essential maintenance and basic repairs, thereby wilfully neglecting their responsibilities and putting the health of their tenants at risk.

The Minister for Housing and Local Government is clearly experienced and knowledgeable about housing, and he is committed to ensuring that everyone has somewhere decent to live. He has already said that he expects councils to use

"the full range of powers at their disposal to make sure tenants are properly protected."

I believe that local authorities must take a zero-tolerance approach to rogue landlords and that they must use all levers at their disposal to root them out. Enforcement powers are available to local authorities, but all too often such powers are not used. We do not necessarily need a raft of new legislation, but priority must be given to the enforcement of current legislation against rogue landlords. Councils must be proactive in protecting tenants by ensuring that they know where the problems are locally and prosecuting when necessary, and by considering the use of existing powers to introduce selective licensing.

Again, I congratulate the hon. Member for Dagenham and Rainham on securing the debate. This is a vital issue that affects millions of people across the country and I will be interested to see what plans the coalition Government have to tackle the problem.

11.19 am

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): I congratulate the hon. Member for Dagenham and Rainham (Jon Cruddas) on securing the debate and other colleagues on their potent interventions. In particular, let me mention my new colleague, my hon. Friend the Member for St Austell and Newquay (Stephen Gilbert), and thank him for bringing to the attention of the House some of the specific and horrific examples that he described.

I think that everyone present understands the importance of the private rented sector in delivering affordable and suitable accommodation for households. As has been reported, there are 3 million private tenants in this country. In the area represented by my hon. Friend and in London, a much higher percentage—as many as one in five—are in private rented accommodation. The sector provides a lot of choice and flexibility at all levels of the housing market.

Graham Jones (Hyndburn) (Lab): The Minister makes the point that there is quality provision in the private rented sector, but I should like to point out the situation in my constituency and the east Lancashire corridor, which probably reflects that in many areas of the country. In my area, 40% of properties do not meet the decent homes standard and 11% are unfit for human habitation; and within those statistics, it is predominantly the private rented sector that features. How can he say that there is adequate provision and no need for regulation when such squalid conditions exist? Urgent action is needed on rogue private landlords. The hon. Member for St Austell and Newquay (Stephen Gilbert) made the good point that environmental health officers are really struggling. The sector does need regulation, because such landlords are able to evade legislation. They are able to work round—

John Robertson (in the Chair): Order. The hon. Gentleman should not be making a speech.

Andrew Stunell: Indeed. I am getting a bit cramped for making my own speech, if I may say so, Mr Robertson. I shall just challenge the hon. Member for Hyndburn (Graham Jones) on one point. He says that 40% of the homes in his constituency are below the decent homes standard—a figure that I fully accept. I do not know what proportion of them are in the private rented sector—he did not say—but of course a lot of homes below the decent homes standard are not in the private rented sector, and I do not want him to get away with the idea that the coalition Government believe that there should be no regulation. On the contrary, I shall outline in a moment, I hope, what we think is there and should be there and what should be done to enhance the situation that we face.

The hon. Member for Dagenham and Rainham, in introducing the debate, was, I think, criticising my right hon. Friend the Minister for Housing and Local Government for saying that the vast majority of private tenants are satisfied with the service that they receive. Well, 75% of them say that, which I think is somewhat near to being a vast majority, but I certainly recognise that there is poor practice.

Graham Jones: Will the Minister give way on that point?

Andrew Stunell: I think that it would be a courtesy to the House if I continued with my speech at this point. Perhaps there will be a space at the end of the debate.

There is bad practice; a minority of landlords clearly behave in an unacceptable way; and the management of the poorest-quality stock is an issue. Those properties are often the ones that are occupied by the most vulnerable tenants, too. That causes real problems, as my hon. Friend the Member for St Austell and Newquay pointed out.

The Minister for Housing and Local Government is well aware of the position that some people face. He is also well aware of the Shelter campaign. I can tell hon. Members that he will attend a public meeting with Shelter in a couple of weeks' time, when he visits the Liberal Democrat conference, so I am sure that if he is in any doubt, he will be able to understand the position fully there.

What can we do to tackle the problem? Local authorities already have significant powers. Some hon. Members talked about illegal action that has taken place. Illegal action can be confronted by local authorities, whether by environmental health or by rent officers. Indeed, in Liverpool, there is an interesting situation in which such action is being confronted by the primary care trust, which is also involved in local health issues. It is certainly our intention to work with those who have an enforcement role, to ensure that the barriers to them using their powers effectively are lifted. Of course, those are mostly powers that are given to local authorities, which is exactly as it should be. Where landlords fail to maintain their properties, local authorities can use the housing health and safety rating system to make a risk assessment.

Graham Jones: The health and safety rating system involves very minimum standards. Does the Minister not agree that it involves appallingly low standards and does not come anywhere near meeting the decent homes standard? When environmental health officers are asked to go round and look at properties, they have no power at all to make the house reach a decent standard, as has been pointed out by the hon. Member for St Austell and Newquay.

Andrew Stunell: I am not quite sure what the hon. Gentleman is asking me to do. If he thinks that there should be a legal requirement for private landlords not to let if their home is not of a decent standard, I think that that will give a number of social housing landlords problems as well. I fully accept his point that standards in some places are low and need to be brought up to standard. I was trying to illustrate the fact that local authorities have powers at their disposal to achieve that.

There is an extensive enforcement framework. Where high levels of hazard are identified—categories 1 and 2—the local authority can compel private landlords to make the necessary improvements. It can issue improvement notices and require property to be closed down. Failure to comply carries a fine of £5,000.

One of the points that the hon. Member for Dagenham and Rainham made was that there are repeat offences, and one of his questions to me was what the Government will do about repeat offenders. Repeat offenders go to the courts, and the courts will take the decision based on the facts of the case. I strongly support the hon. Gentleman in thinking that the courts should take those breaches very seriously.

Tom Blenkinsop (Middlesbrough South and East Cleveland) (Lab): Given that the legislation in place to pursue rogue landlords is not strong, and even if we take the Minister at his word that the current legislation is strong enough, is it not the case that when local authorities are being asked to make cuts of 25% to 40%, the ability to pursue those landlords will be curtailed?

Andrew Stunell: The reality that we face means that there will be less public money to spend. The policy of the Department for Communities and Local Government and of the Government is to devolve the priority-setting process to local councils. If local councils share the hon. Gentleman's view that increased enforcement is an essential core activity that they must build up, they will have much more freedom to do that. They will have to set priorities, just as the Government have to set priorities.

Conditions in the private rented sector have improved. Since the early 1990s, the gap in the level of decency between owner-occupied and privately rented homes has narrowed. Indeed, on average, the private rented sector has become more energy efficient than the owner-occupied sector. I fully understand that averages disguise highs and lows, but we should not demonise one sector of the housing market without taking better account of the evidence.

Local authorities have powers in respect of management standards. Under the houses in multiple occupation regime, there are statutory requirements for HMOs of three or more storeys occupied by five or more people who form more than one household. It is a bit of a rigmarole to say that, but we know what we mean. There is also the power for local authorities to have discretionary licensing schemes in their areas, covering smaller HMOs that do not meet the mandatory licensing

[Andrew Stunell]

criteria where they have identified problems with management and property condition. Hon. Members will know that there is a selective licensing scheme to cover all privately rented property in areas that suffer from low housing demand and persistent antisocial behaviour.

As part of the previous Government's localism agenda, local authorities were granted, from April of this year, a general consent to introduce discretionary licensing schemes without reference to the Secretary of State. It is right for local decisions to be made by those who are directly accountable to local communities. We certainly have no plans to repeal that power.

Licensing schemes mean that local authorities can impose conditions on licences, such as a specified maximum number of occupants and that adequate amenities are in place. Private landlords have to be identified as "fit and proper" in terms of their suitability to manage the property. That perhaps deals with the repeat offenders point from a different direction. A breach of a licence condition is an offence. Letting or managing a property that requires a licence without one could result in a maximum fine of £20,000. Given all that, the Minister for Housing and Local Government came to the view that there was no need for more regulation at present. We do not want to introduce new burdens for landlords that will discourage them from letting homes to those who really need them.

Several comments were made about the tenancy deposit protection scheme. Of course, that is statutory. It helps to ensure good practice in deposit handling, so that when a tenant pays a deposit and is entitled to get it back, they can be assured that that will happen.

Perhaps in the last second of the debate, I can say that when it comes to raising tenants' awareness, I am entirely with the hon. Member for Dagenham and Rainham. I believe that it is of absolute importance that at national and local level, and by us as MPs, the point is made to tenants

11.30 am

Sitting suspended.

Unauthorised Encampments

[ANNETTE BROOKE *in the Chair*]

2.30 pm

Damian Hinds (East Hampshire) (Con): The debate title given in the Order Paper is "Unauthorised encampments and development in the countryside"; when that topic comes up, it is often accompanied by the words "Gypsies" and "Travellers". When seeking this debate, however, I deliberately omitted reference to any community or tradition. I did so for the simple reason that most Gypsies and Travellers are not engaged in unauthorised development. What we are talking about today would be just as problematic for any community.

The vast majority of Gypsies and Travellers are entirely law-abiding. Four fifths of caravan pitchings are in authorised locations, and many more among these communities live in bricks-and-mortar homes. We are therefore talking about a small segment. We should acknowledge up front that Gipsy and Traveller communities face particular problems. In health and education, they are among the most disadvantaged groups—their life expectancy is 10 years less than the national average and their attainment at GCSE is less than half the national average. As politicians, we have to rise more fully to those challenges, to ensure good life chances for all. Without doubt, the provision of decent sites in workable locations is an important part of that; so, too, is mutual understanding with others in the community, to ensure that everyone is on board.

As I said, most Gypsies and Travellers are entirely law-abiding, but the small segment who are not—those who occupy land illegally or make unauthorised developments to land that they own—can sour relations with local communities. That, in turn, can make it harder to secure the improvements in life chances and outcomes that we all want to see.

Problems that arise can be roughly categorised under one of three headings: first, trespass and occupation of public land by Gypsies and Travellers; secondly, their trespass and occupation of private land; and thirdly, unauthorised development on land owned by them. That last category has seen big growth in recent years and is the source of the greatest problems in my constituency of East Hampshire—and, I dare say, in many other constituencies.

Since 2004, there has been a national increase of more than two thirds in the number of Gypsy or Traveller caravans stationed on unauthorised sites owned by Gypsies or Travellers. I note in passing that that increase occurred at the same time as a large increase—indeed, in absolute terms a much larger increase—in the number of authorised sites.

This is a typical scenario. Someone buys a field from a farmer to keep horses, for example; after a while, an electric line and water supply are installed in connection with the keeping of the animals; then, over a weekend or a bank holiday, one or two caravans or mobile homes arrive, along with the heavy machinery needed for laying a hard surface and other works. A retrospective planning application is then made. It often turns out that the field in question is located on the edge of a settlement in

what the planners define as a sustainable location. Temporary permission may be given, and so a cycle begins.

It is said by some that local authorities have only themselves to blame because they do not make adequate provision for sites within their borders—even if, for example, a site is available just outside the boundary. The assumption may be that one new authorised site will mean one unauthorised site less, but that will not always be so. Nevertheless, I repeat that I support provision of good authorised sites, and I welcome the Government's inclusion of Traveller sites in the new home bonus scheme; I hope and trust that that will result in more sites.

Hon. Members may have read in the press about the village of Ropley in my constituency. The local community woke up to find that a Traveller site had been developed overnight. It was not the first in the area. The villagers knew that the matter could lead to months or years of appeals and uncertainty. So little faith did they have that the matter would be resolved that they clubbed together through voluntary subscription to buy the site at a substantial premium over what it had changed hands for previously.

If a small village community feels compelled to find a six-figure sum because they simply have no faith in the fairness of the legal and planning systems, there is clearly something wrong with the system. We need to find new ways to deal with the problems of unauthorised development and encampments in which the whole community can have confidence. People want fairness; they want to see the same rules applying to all.

Richard Graham (Gloucester) (Con): I am grateful to my hon. Friend for giving way. I entirely support his proposals, and I congratulate him on securing the debate. Does he agree that, in trying to rebalance things to recognise the human rights of those who live next to Travellers' unauthorised sites, we should give greater recognition to those already living in the location, tipping the balance away from what was proposed by the previous Government? They appeared to favour greater human rights for those who illegally occupy sites, such as the three that have been occupied in Gloucester during the last 12 months. They are all public sites and the most recent is on school land.

Damian Hinds: I thank my hon. Friend for that intervention. What he says goes to the heart of the issue. I believe that people want to see not so much a tipping of the balance towards or away from one group or another; they want to see the same rules applying to everyone. That is what underpins the compact of a cohesive society.

Some steps are already being taken. I welcome the announcement made by the Department for Communities and Local Government on 29 August, which revokes flawed Whitehall planning circulars. It gives new incentives to provide sites, which is important, and it gives stronger tenancy rights to Gypsies and Travellers on official council sites. The Secretary of State said in the same announcement that he was looking for new ways to empower local authorities to deal with rogue developments. I wish to suggest one, and I would be interested to hear the Minister's opinion of it.

I understand that there is a role for retrospective planning applications, but it must be possible to construct a set of principles that allows for genuine mistakes yet excludes the wilful abuse of the system to create wholly new dwelling places. That would not solve every problem, but it would go some way to restoring public confidence in the system, which has become badly discredited. I hope that the Minister and his colleagues will consider the idea.

I conclude where I started, by stressing that we are talking about the actions of a small segment of the Gypsy and Traveller community. We need fairness and equality before the law. I am confident that that would aid rather than impair community cohesion and mutual understanding, with further improvement of the conditions and outcomes for members of the Gypsy and Traveller communities. I know that many hon. Members wish to speak, so I shall stop there. I look forward to hearing their contributions.

Annette Brooke (in the Chair): The Minister and the Opposition spokesperson have agreed to take 10 minutes for winding up. Many Members have indicated a wish to speak. The calculation is in their hands. I call Mr David Tredinnick.

2.39 pm

David Tredinnick (Bosworth) (Con): I am grateful to you, Mrs Brooke, for calling me in this debate, not least because I have in my constituency a very large community of travellers, some of whom have been resident there for a very long time. Some live on the Good Friday site, which came about, predictably, on Good Friday when a group of Travellers moved in. They fell under the third category of Travellers mentioned by my hon. Friend the Member for East Hampshire (Damian Hinds), whom I congratulate on securing this debate. Those in that category buy land and then illegally improve it.

The group moved in with diggers and concrete-laying equipment, and laid out a properly made up caravan site. They had no permission, and, unfortunately, the council was caught napping. The chief executive was not available and nor were the councillors who might have been able to do something about it. As a result, we have a major problem there. Other sites in the area that have been purchased and then improved without permission have also proved to be very difficult to remove. That infuriates local communities more than any other issue. We have seen such developments across Warwickshire, Hampshire and Gloucestershire, and it infuriates law-abiding constituents to see the law flouted in such a way.

A related issue is the allocation of housing after an appeal. In the Markfield area of my constituency, a site went to appeal and, as a result, 112 new houses, which had been opposed by local people, are now being imposed on the community. That further increases the tension, not least because at Groby, just by Markfield, I have had another problem of illegal encampments on roads.

What we need is a new policy. I very much welcome the plans of the Secretary of State for Communities and Local Government to introduce new powers for councils in relation to Traveller sites. The plans do not excuse councils from not implementing the existing rules; for planning officers, that can be a huge challenge because

[David Tredinnick]

such an issue is not necessarily at the top of the list. Nonetheless, I welcome the plans to give new powers to local authorities.

In addition, we should not automatically be expanding areas on which we have a large number of existing sites. There should be a fairer distribution across the country. *[Interruption.]* I am most grateful for the applause from my hon. Friends. It is absurd that this tiny community in my constituency, between Bagworth, Newbold Verdon and Barlestone, should have a disproportionate number of sites. Moreover, why should we not put the new sites nearer roads, so that travellers can actually travel? Not all the communities are settled.

Why allow travelling people who are coming into the area to park their caravans way off the roads? The situation has been further exacerbated by the policy in the Republic of Ireland, which, paradoxically, took a very tough line with itinerants. As a result, we have a large number coming over here.

Moreover, we also have large numbers of illegals coming over from the European Union. Romanians, for example, have chosen to come into the area. I have to say that Leicestershire county council has been magnificent in the way in which it has helped the children of those communities in the schools. In particular, Barlestone Primary Church of England School, which has a disproportionate number of Traveller children, has made very great efforts.

Notwithstanding how we feel about trying to help such minority communities, we have to come back to the fact that the majority is very dissatisfied. If we have a situation in which most people think that the law is an ass, they will take the law into their own hands. On that note, I will end and ask the Minister to take note of my concerns.

2.44 pm

Gordon Henderson (Sittingbourne and Sheppey) (Con): I agreed with my hon. Friend the Member for East Hampshire (Damian Hinds) when he said that we needed fairness, which is why I am speaking out on behalf of the settled community in Sittingbourne and Sheppey. People there are fed up to the back teeth with the way in which the previous Government allowed a two-tier planning system that explicitly gave preferential treatment to Gypsy and Traveller sites. Settled people in my constituency do not object to Gypsy and Traveller sites per se, but they believe that planning applications for those sites should be treated in exactly the same way as any applications from the settled community.

I could give any number of examples of unauthorised sites that have sprung up in my constituency. They have infuriated a number of communities, including that of Upchurch, which is surrounded by seven unauthorised sites, and Brambledown on the Isle of Sheppey. I should add here that, historically, the Isle of Sheppey has never had any Travellers or Gypsies, yet a site has now been installed.

One site in particular epitomises the concerns that settled people have with the two-tier planning system. In the small semi-rural community of Bobbing, just outside Sittingbourne, a crematorium has been established for just a handful of years. Opposite is a large field that was being used as a paddock. A couple owned the paddock. Unfortunately, the chap's health deteriorated about three or four years ago and he became disabled. He wanted to be close to his horses so he put in a planning application to Swale borough council for a bungalow to be built on that land.

The planning officers and the development committee turned down the planning application on the grounds that the building of a bungalow in a countryside gap was inappropriate. The couple then decided to sell their land to somebody who lives in Medway, which is outside my constituency. As soon as the land was purchased, a planning application was submitted for a static caravan and a Travelling caravan to be installed on the site and for outbuildings to accommodate them.

The planning officers, who only 18 months before had turned down a planning application on the grounds that it was inappropriate to have development in an important countryside gap, recommended approval of the planning application on the grounds that, because the applicants were of Gypsy extraction, it was appropriate to have a development in the countryside gap.

That type of contradiction infuriates settled people. People go through the correct procedures to submit planning applications and then somebody else comes along and gets approval. The officers were following Government policy; they were not making it up on the hoof. They were following guidance put out by the previous Government. I very much hope that, as a priority, the Secretary of State for Communities and Local Government will scrap that particular guidance note, which persuades local authorities and makes them give preferential treatment to one community over another.

I know that there is some talk about local authorities not being able to move people on because they are not providing sufficient sites. In my view, however, this issue is not about providing additional sites; too often, it is about somebody making a fast buck. That is epitomised by the case that I have just mentioned.

2.50 pm

Mark Pawsey (Rugby) (Con): I thank my hon. Friend the Member for East Hampshire (Damian Hinds) for raising this issue.

I want to talk about the issue of people illegally developing land, and to focus particularly on the issues caused by multiple temporary consents. The established practice of a community's moving on to land and putting down infrastructure before the local planning authority can respond has been referred to already. When that happens, the usual procedure is for the local authority to invite the people carrying out the development to apply for permission and, if that permission is granted, for it to apply retrospectively. That is not just in respect of this type of development; it is in respect of all types of development.

However, when somebody goes on to agricultural land and puts down infrastructure, in most cases the application is refused. Of course, that application then goes to appeal and in many cases the appeal process is very lengthy. The matter then becomes one of enforcement, but enforcement cannot take place while an appeal is pending. All these things take time.

During that time, development becomes entrenched, roadways are often made up, hard standings are put in place for mobile homes and fences are erected. While

that is happening, the law-abiding settled community sees laws apparently being disregarded, often by another group, and they become frustrated at the lack of progress. So it is clear that the system needs attention and that councils need stronger powers.

The concept of retrospective applications should not be available in certain cases. By way of example, I want to focus on a particular area that has suffered from multiple temporary consents. It is a village or hamlet called Barnacle in the northern part of my constituency and it is in the green belt, where there is a presumption against development.

Barnacle is a small community, with 105 households and a population of 267, according to the 2001 census. It is approached by narrow country lanes and its parish council describes it as an ordinary place where working people enjoy living in a friendly, sociable environment. However, those people now have on their doorstep a site comprising 50 caravans and 10 mobile homes, and it is believed that there are 28 separate households on the site. It is the contention of those who live in Barnacle that the scale of the site is out of all proportion to a village containing 100 households.

I want to set out the sequence of events that has led to this situation, which started as long ago as April 2003. On the Good Friday, unauthorised use of a paddock began and the local authority immediately issued an enforcement notice. An appeal was immediately lodged against it. It took until February 2004 for the Planning Inspectorate to uphold the enforcement notice, but it set the period of compliance at 18 months.

At the end of that period of compliance, in August 2005, a planning application was submitted for a temporary two-year permission to be granted for people to reside on this particular site. That application was heard by Rugby borough council in October 2005. The council refused the temporary consent, but it extended the period of compliance, with the enforcement notice delayed until August 2006.

In April 2006, four months before the new compliance period expired, a planning application was submitted for a permanent dwelling. It took until July 2006 for the local authority to refuse permanent consent, but at that time the authority extended the period of compliance, so that the enforcement notice ran until August 2007. An appeal against the refusal was submitted and in September 2007 consideration of the planning appeal was deferred while the council considered the matter further.

We now move on to January 2008, when the Planning Inspectorate again granted a temporary planning consent at the site for a further two-and-a-half years, to expire in July 2010. At that time, the residents got in touch with me, as I was the new Member of Parliament for the area. The application made in July 2010 has not yet been heard; it is likely to be heard by Rugby borough council in October. The anxiety of the residents of Barnacle is that a further temporary consent may be granted, meaning that there will be no resolution to the issues that they face.

The problem that I want to draw attention to is the number of temporary permissions and extended compliance periods that have been granted. Temporary consents were granted principally on the basis that suitable accommodation would be available at a later point in time at a redeveloped caravan park nearby. That development has not happened, and it is feared that that new site is still not available. The concern of the residents of Barnacle is that there will be a further temporary consent. They have suffered from the "nowhere for them to go" issue; despite continued unauthorised development, that issue has enabled the site to be occupied for seven years already. And as each year passes, the site becomes more established and more permanent in its nature.

The residents of Barnacle find on their doorstep a development that contravenes both national and local planning policy and one for which local elected representatives have consistently refused consent. Yet they have lived with it for the past seven years. This issue needs to be redressed, with a review of the legislation, so that residents of places such as Barnacle can again enjoy their normal quality of life.

2.55 pm

Gavin Williamson (South Staffordshire) (Con): I want to thank my hon. Friend the Member for East Hampshire (Damian Hinds) for securing this debate today.

I think that many if not all of us in Westminster Hall today have had to deal with the very difficult problem of Gypsy and Traveller sites. It is an absolutely critical issue in South Staffordshire. Only last weekend, in the village of Coven Heath we had an illegal invasion of a field, involving nine caravans. I can see an application going in to make that site permanent in the very near future.

South Staffordshire already has to carry a great burden in terms of providing accommodation for Gypsy and Traveller sites. From 2007 until today, 30 pitches have been granted planning permission in South Staffordshire for Gypsy and Traveller sites. Every single one of those 30 pitches was rejected by local people and local councillors, but they were forced on them by the last Labour Government. That is an utter and total disgrace.

It does not stop there. We already have three applications involving another 16 pitches that are going to the planning inspectors at Bristol. Because of the last Labour Government's idea that there should be one law for the settled community and a different law for the Gypsy and Traveller community, there is every chance that those applications could get passed, too. What is even worse is that it does not stop there. Another 13 pitches have already been applied for that are due to go to planning.

Through their famous circular on Gypsy and Traveller caravan sites—ODPM 01/2006—the last Government have created an imbalance in the law, which discriminates against every person in this country who is not a Gypsy or a Traveller. I know that it has been announced that that circular will be changed, but I urge the Minister to ensure that it is changed swiftly.

The Government have announced that the regional spatial strategies are going to be abolished—

George Hollingbery (Meon Valley) (Con): They have been abolished.

Gavin Williamson: I am told by my hon. Friend that they have been abolished, but we know that the Gypsy Traveller accommodation assessments are being used to get these sites passed on appeal. I urge the Minister to do all he can to ensure that they are scrapped.

[Gavin Williamson]

The Gypsy and Traveller accommodation assessment for the west midlands was pulled together by Salford university, which went around the west midlands and decided that, if there were 40 encampments in a district, it therefore needed another 40, and if a district had one encampment, it needed one extra. That is incompetent. My daughter of five could have done a better and more worthwhile report than Salford university's. I urge the Minister to freeze every single planning application until new rules are drawn up. This Government have signalled their intention of dealing with the problem. I demand of the Minister not just to talk but to do.

3 pm

Dr Thérèse Coffey (Suffolk Coastal) (Con): I congratulate my hon. Friend the Member for East Hampshire (Damian Hinds) on securing this important debate. I have been moved to contribute by a recent situation in my constituency involving incidents in Southwold and, subsequently, Brampton. When I voiced my concern and my support for the local permanent community, I was accused of racism. As a consequence, I feel strongly that many of the viewpoints being expressed today are not about racism but about fairness, being seen to be fair and having a law that backs those who want to be fair.

The situation that I am going to describe is not too different from many others. Some hon. Members may have been on holiday to Southwold; the last Prime Minister certainly visited once. Those who have can imagine the surprise when a sudden development happened on the common. It was, I think, no coincidence that it happened at the weekend, when access to lawyers and councils was an issue, or that when the community were approached, they said, "We're only coming here on our holidays; we'll move off in a week." My retaliation was, "Well, why don't you pay to go down to the Caravan Club site rather than encroaching on the common?" It is a fine piece of open land that exists for the enjoyment of all the community and visitors.

Concerns were also expressed—I did not see this myself, so I cannot categorically affirm it—that a scrap metal business was being developed, which suggested that the encampment was not going to be temporary. There were concerns about what would happen further along the line. I believe that the community kept their word and moved on, but only a few miles down the road to Brampton, which is also in my constituency. Again, similar issues gave rise to a need for intervention.

We all know that police are reluctant to intervene. To some extent, I do not blame them, because of the cost and the resources required and the possible issues involved in moving on families. Councils and trustees of commons up and down the country must face legal costs every time the situation arises, which is not fair either.

I do not think I am alone in thinking of examples—perhaps not in Suffolk but in Hampshire, where I used to live—of the temporary, almost semi-permanent sites of more traditional Traveller communities. I can think of one on the Harroway near Whitchurch and another on the way to Hurstbourne Tarrant where people have taken up a sort of residence set away at the side of the road, deliberately not trying to create an effective empire with a number of permanent pitches.

The unfairness of retrospective planning has been discussed extensively. I support the new Secretary of State for Communities and Local Government in tearing up some of the nonsense that came before us under the last Government, recognising that councils may wish to provide sites appropriately and giving them financial incentives to do so, as my hon. Friend the Member for East Hampshire mentioned. It irritates me that people are often buying agricultural land at cheap rates. Once planning permission is obtained, of course, we all know that the value increases astronomically.

I am not attacking transient communities. They are a welcome part of society. Everyone in society makes choices about how we live, but we must also accept the responsibilities that go with those choices. We should also be considering not only our own solutions but other countries'. I find it ironic that the landmark ruling in 2000 giving Irish Travellers ethnic status does not apply in Ireland, which has made a different decision about how to categorise them that does not afford them protection under the Race Relations Act 2000 or subsequent legislation.

It is not racist to be concerned about unauthorised development. It is not racist to press for fairness for our constituents. It is not racist to say that the law of the land should be respected or that wilful trespass should be dealt with promptly and effectively, without costing a small number of local taxpayers a fortune. I welcome the actions thus far and look forward to seeing more.

3.5 pm

Heather Wheeler (South Derbyshire) (Con): I am grateful to you, Mrs Brooke, for calling me so early in the debate, and to my hon. Friend the Member for East Hampshire (Damian Hinds) for securing it. It is hugely important to the situation in South Derbyshire. Since February alone, we have had 24 illegal incursions, in a district with authorised sites. That is why it is so galling for the people and voters of South Derbyshire. When we do the right thing, we are taken for mugs. Frankly, we are fed up. We will not put up with it any more, and nor will our voters. I assure the Minister that there will be civil disobedience over the issue.

I am grateful for the strong messages issued by the Department for Communities and Local Government. We have finally won our appeal with the inspectors against illegal encampments and planning permission. It is the first that I have known in all my time in politics in South Derbyshire, which I assure hon. Members is a long time. We have an achievement, so I thank the new Government.

For goodness' sake, when councils do the right thing and authorise encampments, can we please push forward with eliminating the John Prescott 21-day rule? It requires public authorities to go through a long process of sorting out whether there are human rights implications and goodness knows what else for these people, and it does not apply to anybody in our settled communities. It is complete nonsense.

We have good police action in Derbyshire, where we seek to assist private landowners to go down the 24-hour bailiff route to remove people where—I say this again—vacancies are available on authorised sites. But when the land is owned by the authority, Severn Trent, the Highways Agency or similar, there is still the nonsense

of having to do the dance of the John Prescott 21-day rule. Will the Minister assure us as much as he can today, and later in writing, that that rule will be scrapped?

We are delighted by the strong ruling to get rid of the regional spatial strategy and the pitches rule. It assisted enormously when we wrote to the Planning Inspectorate and helped us fight off the latest planning inquiry. That was the first one ever. I wrote the strongest letter I have ever written in my life. The language was not particularly parliamentary, but it got the point through and we won. Will the Minister please carry on with the issue and ensure that it is sorted out? My electorate expect it to happen in the coming Session, and I look to him to see it through.

3.8 pm

Damian Collins (Folkestone and Hythe) (Con): Like my hon. Friends, I am grateful to my hon. Friend the Member for East Hampshire (Damian Hinds) for securing this debate. He said in his opening remarks that he wanted to focus on three aspects of the issue. I will make a few remarks about the first aspect, trespass and occupation, based on incidents in my constituency, although I do not claim that we have had the same number of incidents as the constituencies of other Members who have spoken.

I wanted to highlight the fact that some small groups of Travelling communities are clever in exploiting tactically chosen sites. The ownership of the land might be disputed, it might take some time to find out who is responsible and a lot of time is wasted before an enforcement notice is made.

We have had particular problems with this in Folkestone, where a single group of Travellers have moved between different sites. They have been able to stay at sites for several months. Recently, a community spent three months on a piece of land backing on to a residential community in Birkdale drive in the Park Farm area of Folkestone before an enforcement notice was made. That was largely because of a dispute between Kent Highway Services and the Highways Agency as to which of them was responsible for the site. It turned out that the Highways Agency believed that it had transferred ownership to Kent Highway Services, but there was no record of any such transfer, and the community stayed on the site during the to-ing and fro-ing.

I have every sympathy for the district commander of the local police, who was keeping a careful eye on the site, but who was powerless to do anything until the enforcement order was made. Even then, when the dispute had been resolved, and Kent Highway Services agreed to go to court to try to get the enforcement notice—it was still not clear whether it owned the land—it took time to get court time and to get the notice granted. Residents felt that no one was really doing anything to resolve their plight. The Travellers cleverly exploited the ambiguity to enable them to stay, and they have moved from site to site doing the same thing.

My constituents' question is whether we could look at the law on trespass, alongside some of the other points that have been raised, and which I know the Department is considering. If Travellers have gained access to a site, and it is clear that they do not own the land and have made no efforts to establish contact with the landowners or do not know who they are, there should be some obligation on them to prove that they have a right to be there. It should not just be for the public authorities to prove that the Travellers do not have the right to be there, particularly when the process might take quite a long time, and it is clear that we are dealing not with a temporary encampment, but with a permanent occupation of the land until an enforcement notice has been granted.

In the example that I gave, the Travellers made no attempt to create an illegal, permanent camp or to alter the land in any way; they were simply going to stay on the land for as long as they could, until they were moved on. However, they did that in the full knowledge that that could take quite some time, and there was nothing that the resident community could do while we were going through the relevant processes. I would be grateful if the Government looked at the issue and gave us some advice as to whether we can simplify or revise the law. Could some consideration be given to the databases and the land registry for the ownership of public land where land is passed between public bodies and there may be some confusion as to who is the responsible party?

Several hon. Members *rose—*

Annette Brooke (in the Chair): Order. There is considerable time until the winding-up speeches at 3.40 pm. Two people are standing at the moment, and others who wish to speak should indicate that they want to do so.

3.12 pm

Mr James Gray (North Wiltshire) (Con): I will try not to fill the long period that you described between now and the winding-up speeches, Mrs Brooke. I congratulate my hon. Friend the Member for East Hampshire (Damian Hinds) on raising this issue, which I have heard debated four or five times in this Chamber in the past five years or so. That, along with the number of my hon. Friends seeking to speak in the debate, demonstrates what an extremely important issue it is. Indeed, it affects communities across the whole of England, and those hon. Members here today probably represent only a small number of those on both sides of the House who have significant worries about the issue.

My hon. Friend the Member for Folkestone and Hythe (Damian Collins) raised the particularly interesting topic of trespass. As far as I can recall, the issue was dealt with quite well in one of the last Acts passed by the previous Conservative Government in 1997, which made some efforts towards putting the point right. Although the legislation no doubt needs improving, the basic machinery is there. With the exception of my hon. Friend, however, all the others who have spoken in the debate have addressed the identical problem of people of one sort or another—I will come back to who they are—illegally occupying a vacant site, of which they have taken ownership, nearly always on a bank holiday Monday. Within a few days, they insert hard standing.

Heather Wheeler: The interesting point about trespass is that there is no criminal trespass law on which we can rely in relation to public authority land. We are looking for our new coalition Government to bring forward from our manifesto a new intentional criminal trespass

[Heather Wheeler]

law that will allow us to have the same rights for public authority land as for private authority land. That would be a major development, and I thank my hon. Friend for allowing me to mention it.

Mr Gray: My hon. Friend makes a similar point to my hon. Friend the Member for Folkestone and Hythe. Both my hon. Friends are quite right, although their point is not absolutely central to the topic of today's debate, which is the illegal occupation of land owned by Gypsies, Travellers and others.

As I said, the pattern we see is a similar one, and many people have described it in the debate. People move on to land, often on a bank holiday weekend. Before anybody knows what is happening, hard standing has gone down, toilet blocks have been erected and gardens have been put in. Often, little bungalows—we are not talking about caravans—are established in a very short time, as I have seen in Minety in my constituency. I have eight or 10 illegal Gypsy encampments in my constituency, including at Calcutt park, near Cricklade, and various other places. In a short time, something that looks for all the world like a village has been established. There are wheelie bins at the end of the drive, electricity has been laid on and these people have established something that no one else would be allowed to establish.

I will not bore hon. Members by repeating what a number of my hon. Friends have eloquently described. However, I want to address the reason why such developments are allowed to occur. My hon. Friend the Member for South Derbyshire (Heather Wheeler) referred to the way in which the noble Lord Prescott—what a noble Lord he is—introduced planning circular 01/06. Hon. Members will recall that the circular told planning inspectors that where local authorities are not able to demonstrate that there is adequate provision for Gypsies and Travellers elsewhere in their area, there should be a presumption in favour of illegal Gypsy and Traveller encampments. That has meant—I have had several such cases in my constituency—that where the planning inspector sits on an appeal, the law requires him to say that unless the local authority can demonstrate that there is adequate provision elsewhere, he must give the Gypsies and Travellers permission for their illegal encampment. I do not blame the inspectors; they have no other option but to do that, because that is what the single planning note requires them to do.

Leaving aside the two-tier planning system that such an arrangement implies—I will come back to that in a second—there are several specific problems associated with the circular. First, it does not stipulate who Gypsies and Travellers are. No distinction is made under law between hippies, new age travellers, people who are homeless, traditional Romanies, of whom there are many in my constituency, Irish Travellers, Roma and people coming in from France. Indeed, the French Government recently expelled a large number of Roma, and there is nothing to prevent them from coming here and declaring themselves to be Gypsies or Travellers. There is therefore no definition in the law to distinguish between those people.

As another speaker mentioned a moment ago, when the Gypsy and Traveller assessments were made under the regional spatial strategy—I am glad that that document is now defunct—local authorities were required to assess how many Travellers there were in their area and what provision there was for them. However, there is no way of doing that. By definition, these people are Travellers. Are we talking about the Travellers resident in the county of Wiltshire, the south-west of England, the west of England, Wessex, England or what? There is no scientific way of assessing who these people are, because, by definition, they do not live in one place. A very large number of the Travellers in my constituency come from Ireland. Others come from the continent of Europe.

Incidentally, one interesting side issue is that the Irish and the Romanies will not live on the same site. The site at Thingley junction in my constituency has vacancies, but it is occupied by Irish Travellers. The Romanies, perfectly reasonably, say that they do not want to go there, because the two groups do not like each other. I am just not certain, however, that society has a duty to provide for people who do not happen to like each other. If somebody came to my constituency surgery and said, "I want a council house, but I'm not going to live in that council estate full of Irish people, because I don't want to live with the Irish," I would say, "I'm extremely sorry about that madam, but you're jolly well going to have to put up with it." The same applies in this case.

As I said, we do not know who these people are. By definition, they are Travellers. The Traveller population in the United Kingdom has been increasing exponentially over the past 30 or 40 years, and I will come back to that in one second. Asking a local authority whether it has enough provision for these people is an impossible question to answer. It cannot, by definition, say, "Yes, we do."

Gavin Williamson: I am not sure whether my hon. Friend has witnessed a similar situation in Wiltshire, but a number of Gypsies and Travellers in South Staffordshire have successfully applied for planning permission and obtained established sites. I then notice in the local newspaper that those sites are being commercially marketed to people who are not Gypsies and Travellers. People are exploiting the law for personal profit.

Mr Gray: I noticed that episode when it was recently mentioned in the newspapers, but that has not been my experience. All the illegally occupied sites in my constituency, and I think throughout the west country, have gone on to be fully occupied by Gypsies and Travellers. I have not seen any being sold on, although I suppose there is no reason why they should not be. However, I have my doubts about whether a local authority would give planning permission to a settled person to take over a Gypsy encampment afterwards. I certainly recommend that it should not.

The numbers are extremely interesting. When I was special adviser to the then Secretary of State for the Environment we had the great joy of repealing the legislation that required local authorities to make provision for Gypsies and Travellers in their counties. We did so because when the Labour Government passed the provisions there were, from memory, 3,500 illegally parked caravans in England. In 1996, by the time we had repealed them, there were 6,000 illegally parked caravans, so the illegals had more or less doubled. That was in addition to the 7,000 pitches that local authorities had by then provided. Those authorities had provided

twice as many pitches as they were required to under the Act, and a further 6,000 were illegally parked. That total of 13,000 caravans in England has now become 18,355, according to a recent survey. The number went from 3,500 to 18,500 in as many years.

David Tredinnick: My hon. Friend touches on an important point, which can perhaps be illustrated by a comparison with road building. When an extra lane is put on a motorway it does not solve the problem; it just brings in another lane's worth of traffic.

Mr Gray: My hon. Friend is right. It is what I would describe as a Parkinson's law of Gypsy caravans. No matter how many sites are provided for them, more appear. That takes us back to the original question of the definition of what those people are. Who are Gypsies? What are Romanies? What definition do we have under the law? The answer is none at all: the more sites are provided, the more people appear to fill them.

I therefore do not subscribe at all to the underlying principle behind planning policy guidance note 01/06 that somehow a local authority must demonstrate that it has made adequate provision. It is not possible for a local authority to demonstrate that. No matter how many sites it provides, it is perfectly possible for the Gypsy and Traveller community to say that there are not enough. Indeed, there seems to be a moth-to-a-flame attraction: the more sites are provided in a county, the more Gypsies and Travellers appear to try to fill them. Wiltshire and the west country as a whole seem to be a bit of a hot spot for that.

That seems to me to be completely wrong, and the Government have indicated their intention to address the situation. We must do so by abolishing Lord Prescott's planning guidance note and the regional spatial strategy and by telling local authorities exactly what they are told in relation to homeless people from the settled community: the rule for the settled community is that if someone needs a council house they go to see the local authority or—too often—their MP, or a housing association. To get a house one must demonstrate need, in a certain prioritised way, and a local connection. If someone came to my constituency surgery and said, "Hello; I come from Inverness and I am homeless. I want you to get in touch with the local authority and get me a council house," I would say, "I'm awfully sorry. You must get back to Inverness and get your council house there. You aren't going to get one in Wiltshire because we demand a local connection." Precisely the same applies to the Gypsy community. They are very nice people. A number are close friends of mine. Those who live in Wiltshire have a right to proper Gypsy encampments there. However, those who come to Wiltshire from elsewhere have no right to demand that the people of Wiltshire should pay for sites to accommodate them. Exactly the same rules should apply to them as to anyone else with regard to planning and housing.

An example from my constituency, which I think is an outrage, highlights what has gone wrong with our planning process. A very nice lady came to see me. She had an organic farm in the village of Box in my constituency. She had a caravan, in which she lived, in the centre of the organic farm, which was about 15 acres. Rather bizarrely, the local authority looked at the profitability of the organic farm and concluded that it was not profitable and was not a going concern, and that she could not make it a going concern. Had it been profitable my constituent would have been allowed to carry on living in the caravan. That in itself is bizarre. She was required to leave the caravan, although, incidentally, she was allowed to leave it for chickens. It could remain where it was as long as she did not live in it. Fine so far.

Next door, just down the road, is an entirely vacant field that was bought at a very high price by a group of Travellers. They moved on to the site and are in the same position as the non-Traveller organic farmer. They went to appeal and said, "We are Gypsies" and the inspector was required by law to give them permission to remain in the field, adjacent to the one from which someone from the settled community had been removed. That seems to me to be disgraceful. There is no reason why any group in society—white, black, green, gay, straight, Chinese or anything you like—should have different planning rules from those affecting anyone else. There should be one law for one, and one law for all.

George Hollingbery: I am curious about the example that my hon. Friend has raised, and the more general implications. He has rightly said that there is no formal legal mechanism for assessing whether someone is a Gypsy or a Traveller, yet local authorities regularly make such assessments. Does he have any experience of how local authorities make the decision? Perhaps the Minister will elucidate the matter and tell us how local authorities can make a better job of assessing who is, or is not, qualified under the Human Rights Act 1998 or other legislation.

Mr Gray: I am afraid that my hon. Friend and I will not agree on this issue. I take the view that it is not up to local authorities to decide who is a Gypsy, who is a Romany, who is an Irish Traveller, who is a dropout, who is a hippy and who is a settled person. Every human being, of every kind, whatever their colour, race, background or class may be, should be treated identically by the local authority, which does not need guidelines about what to do. The same applies with respect to the Human Rights Act, about which some hon. Members in the Chamber have reservations. I do not think that it should come into the consideration of whether land should be set aside for Travellers or anyone else. The Act is about human rights, but the issue that we are talking about is planning, and I do not think that Travellers or anyone else should be given preference over the settled community merely because they are Travellers. What a perfect definition of racism that is—for a local authority to say "We are required to do something for you, not because you are a good man, or a bad man, but because you claim to be some kind of Romany, Irish, Roma, Gypsy or who knows what. You claim you are that, and therefore I must do something for you that I will not do for someone else." That seems to me to be unacceptable in 21st-century Britain and I hope that the new Secretary of State will do away with it.

Andrew George (St Ives) (LD): I apologise to the hon. Member for East Hampshire (Damian Hinds) for missing the opening speeches; I was detained on other business. I intervene on the eloquent speech of the hon. Member for North Wiltshire) to ask whether he is denying the existence of Travelling people as a community in the UK. If so, presumably he would disagree with the approach

[Andrew George]

that I believe the Government have retained, that local authorities should, wherever possible, find and provide sufficient official sites to meet the needs of the Travelling community. If that were done, we would not be debating the issue of illegal encampments because sufficient pitches would be available for those in need.

Mr Gray: The hon. Gentleman and I have crossed swords for many years on many subjects. He was late for the debate and I am not sure whether he missed any of my speech as well; I certainly was not denying the existence of the Travelling community. Quite the opposite. I said at the beginning of my speech that I felt strongly that the Travelling community had a perfect right to be Travellers; good luck to them. That is fine. It is not my way of life. I cannot stand camping at all. However, if they want to be Travellers, that is fine. It is right that the local authority should make suitable provision for the Travelling community, as it does for the settled community. It is right to do that for the local Travelling community, but I see no reason to do so for the wider Travelling community. I certainly do not deny its existence, nor the state's responsibility to make proper provision for it. It is right to do that, but we are discussing the means by which that happens, not whether it should happen.

I welcome the stricter stance taken by the incoming Secretary of State for Communities and Local Government, and the abolition of the regional spatial strategy, which is the document behind much of what we are debating. I hope that as part of what happens we shall do away with the Gypsy and Traveller assessments, which were flawed, to say the least, whoever did them—Salford technical college or anyone else. I call on the Secretary of State to stipulate that the planning status of Gypsies and Travellers is precisely identical to the planning status of everyone else—indeed, their rights in every other respect should be identical to everyone else's. I also call on him to introduce stronger enforcement powers, so that when these outrages occur, local authorities have the power to go on to these sites and deal with these people as they would anyone else. I very much welcome the fact that he has stipulated in his general approach to planning that the people who decide whether or not these things occur, whether with regard to Gypsies or to houses, should be local councillors who are answerable to local people. They should make up their mind about how such things happen; it should not be down to Lord Prescott or his successors in the DCLG.

Several hon. Members *rose—*

Annette Brooke (in the Chair): I call Mr Ollerenshaw. I remind you that the wind-ups will start at 3.40 pm.

3.30 pm

Eric Ollerenshaw (Lancaster and Fleetwood) (Con): I will try to be brief, Mrs Brooke, so that other hon. Members may contribute. Thank you for calling me. My comments may seem repetitive to the Minister, but I am told that repetition sometimes helps when dealing with Ministers. The huge number of hon. Members present should demonstrate to him how much of a national problem the issue is, although the Labour party does not seem to be aware of that. I congratulate my hon. Friend the Member for East Hampshire (Damian Hinds) on initiating the debate and on how he has balanced his comments. All hon. Members recognise their obligations to the Traveller community, as they do in respect of every other community in Great Britain. No one would wish to detract from that, and I congratulate hon. Members on how they have dealt with the matter.

The focus of the debate has moved geographically; I think my seat, Lancaster and Fleetwood, is the most northern one represented by hon. Members here. That surely proves the national scale of the problem. I first became aware of the matter that I wish to raise on the evening of 6 November 2009, which happened to be a Friday. At 6 o'clock on a Friday evening, council offices and the planning department shut down.

I was informed by the residents of a small hamlet called Preesall Hill—just 50 or 60 houses—that a triangular piece of land surrounded by roads was suddenly covered in Travellers. They told me that hardcore was being moved in, electricity was being supplied and boarding was being put up. That development went on all over the weekend, when no one could get to the council. I would like to repeat the reference to the word "wilful." My hon. Friend the Member for East Hampshire made a significant point about that, and we hope that the Minister will reply to it. If anything can be called wilful, the actions that I have described must fall into that category.

On Monday, the police were called, so they were diverted from other matters. The council was also called—everyone and his aunt were called to consider the matter. It was then discovered that the Travellers had actually bought the land, which posed the council with another problem. The council sought an injunction—in the end, it had to seek three injunctions—to call for a retrospective planning application. By that stage, some of the Travellers' children were going to the small village school, on which there was also an impact. So, the impacts were starting to add up. The people living in Preesall were saying, "What is going wrong around here? Who can get away with this?" Other hon. Members have mentioned similar responses.

On 2 September last week, the matter finally got to planning—by the way, when it first went to planning, not enough information was supplied, so it had to be deferred. As I say, the matter got to planning on 2 September and there were all the relevant reports—ecology, engineering, highways and so on. The land had been designated as countryside by the local Wyre district plan, and was actually a field. The difference with this case is that a company called Green Planning Solutions turned up at the planning. Its website states:

"we specialise in winning planning permission on difficult sites, usually rural locations including the green belt."

Meanwhile, a Preesall action group of concerned neighbours had been set up and people who were in the process of selling their properties were unable to do so. People who have jobs and other things to do were taking action to try to restore their community. To be fair to those people, they were also trying to establish some sort of relationship with the Travellers who were by that time arguing that they needed a permanent pitch. By the way, twice over the past 12 months, the Travellers have disappeared somewhere for three months, so they must have sites in other places.

I return to when the matter got to planning. At the meeting, a Mr Green—who apparently runs Green Planning Solutions, which advertises in the way I have described—boasted to the Wyre planning committee that he usually wins most of his cases. He said that 47% of his cases go to appeal and that he usually wins 94% of those. Apparently, he warned the council that if it dared to appeal, it would cost the council and taxpayers dear.

Heather Wheeler: I hesitate to interrupt because my hon. Friend is in mid-flow and, as ever, he is excellent to listen to. What I find absolutely galling—this may help other hon. Members in this Chamber—is that we have had five planning permissions go through under which Travellers have now got authorised sites, but the Travellers are not there. Where are they? Why do they need those sites? They have got them, apparently, only because of need, but they have not been on them for 12 months. Lancaster and Fleetwood should get on with it. This is just outrageous.

Eric Ollerenshaw: Thank you, Derbyshire. I totally agree—whether Travellers want permanent or non-permanent sites. I should also compliment my hon. Friend the Member for North Wiltshire (Mr Gray) as he has some history on this matter. The point about the definition of Travellers and so on was really pertinent.

In the case that I have mentioned, the Travellers are obviously waiting to see whether there will be an appeal. Nothing has changed on the site, and they are assuming that there will be an appeal, which will lead to costs for a small district council. Meanwhile, Mr Green has boasted that he wins most of his appeals. What does that say to people who pay their rates and do the usual law-abiding thing? As all hon. Members have said, all they want is fairness and for local councils to have the ability and powers to deal with the issues that affect them and their residents.

Annette Brooke (in the Chair): I thank the large number of contributors. Everyone has been fairly brief, which has been very helpful. I call Mr Gordon Marsden.

3.36 pm

Mr Gordon Marsden (Blackpool South) (Lab): It is a great pleasure to serve under your chairmanship, Mrs Brooke. I congratulate the hon. Member for East Hampshire (Damian Hinds) on a crisp and temperate presentation of the issues that not only he but other hon. Members in the Chamber have encountered. I was particularly interested in his strong focus on the issue of unauthorised occupation—that matter has come across strongly today. Some of the difficulties surrounding that issue are very different from those surrounding the debate about the need for authorised sites, which again has been robust. I shall try to bring out some of those issues in my remarks.

I start by mentioning some of the facts and the chronology of what the previous Government did—or, indeed, attempted to do—regarding some of the matters raised. I understand that some Conservative Members may not be aware of those points. That is not surprising, given that a "year zero" approach seems to have been adopted by the Department for Communities and Local Government website; all reference to what was done in the six months before the election has been removed. However, with your permission, Mrs Brooke, I shall touch on some of the things that were done in that period.

In March 2010, DCLG launched guidance that was sent to police, local authorities and other agencies. That guidance focused particularly on adopting a multi-agency approach to helping communities tackle the problems of antisocial behaviour on Travellers' sites, including the use of antisocial behaviour orders and acceptable behaviour contracts. I shall return to those important points.

In introducing that document, my right hon. Friend the Member for Southampton, Itchen (Mr Denham), the then Secretary of State, said:

"local councils and the police have strong powers and tools to crack down on anti-social behaviour—and I expect them to be used to the full. This guidance will help ensure that the local agencies understand the powers available to them."

The Home Secretary at that time, my right hon. Friend the Member for Kingston upon Hull West and Hessle (Alan Johnson), said—it is important to make this point because various hon. Members have mentioned it—

"The Gypsy and Traveller community is treated no differently than the rest of the community. Perpetrators of crime and antisocial behaviour will be punished and, where appropriate, taken through the criminal courts and jailed."

From the Opposition's point of view, I would like to emphasise that that principle, elucidated by the former Home Secretary, stands four-square.

In addition to that, on the question of unauthorised developments, a statutory instrument was laid before Parliament on 9 March 2010, which reduced the period of appeal against refusal of an unauthorised development from six months to 28 days. That reduced the ability for the time frame to be exploited where unauthorised developments are in situ.

That did not come out of the blue; it was based on the findings of the Briscoe report, which was set up in 2007 and revised in 2009. It is worth noting that that was regarded as a priority by DCLG Ministers, which is why it reached the statute book before the wash-up and Dissolution. That was because of the importance of the need to reduce the period of uncertainty for local residents after local authorities refuse a planning application. In addition to those enforcement measures, the previous Government continued to support local councils in their bids to establish authorised Traveller sites, and £32 million was pledged from the Homes and Communities Agency budget as part of the site grant for 2010-11.

I have mentioned the difference between authorised and unauthorised sites. Although I appreciate that in some circumstances there can be significant problems with authorised sites, I believe that the development of authorised sites helps to combat the problem. To be fair, the current Government believe that as well, but the question of where the money will come from is another matter. On that main point, however, there is a consensus between the Opposition and the Government. There is evidence that the creation of authorised sites saves councils significant amounts of money. Once Bristol city council invested in a transit site, for example, having relied on enforcement action before, it reduced its related annual costs from £200,000 to £5,000.

[Mr Gordon Marsden]

The previous Government also intended to amend the Mobile Homes Act 1983 to give improved security and right of tenure to Gypsies and Travellers on official sites. Unfortunately, as the present Government were kind enough to acknowledge in a statement to the House on 27 July, there was no parliamentary time to debate those statutory instruments before the general election. They do, however, relate to the application of the 1983 Act. The Minister will no doubt remark that the Government intend to make a decision on section 318 in due course, in the context of the wider strategy. There is no difference between the policies of the previous and current Governments.

I now turn to what the current Government have said and done since taking office. In May 2010, as part of the first round of spending cuts, the Homes and Communities Agency ended the Gypsy and Traveller programme grants for the creation of authorised sites. As far as I am aware, the regional spatial strategies have been revoked but not yet formally abolished. Their formal abolition will no doubt be presented later in the year as part of the decentralisation and localism Bill that the Government are promising—or threatening us with. That removed the obligation for local authorities to identify sites that could be used for authorised Travellers. However, nature abhors a vacuum, and I suspect that that will be the case if there is no formula whatever.

On the point about returning to regional spatial strategies, there will be no formula whatever for dealing with what will be a continuing problem. I put it to Members and the Minister that without some form of overarching framework there is a danger that local authorities will pass the parcel and try to shift the onus of provision on to neighbouring authorities, which will be doing likewise.

Mr Gray: Why should there be an overarching vision? Surely it should be for local authorities to decide what provision they make for Gypsies and Travellers in their areas. Why should anyone else decide that?

Mr Marsden: I would not accuse the hon. Gentleman of nimbyism, but I think that such action is common sense. Indeed, in his eloquent contribution he explained that Travellers move around a lot. Simply playing pass the parcel with those people is no mechanism for dealing with them, and I find the idea that it is rather bemusing.

Andrew George: I wish to elaborate on the issue that the hon. Gentleman is addressing. It is clear from many studies that authorised sites are far better for community relations within an area, and for the health and welfare of Travellers, than unauthorised sites. In areas where the Travelling community clearly needs an authorised site, but where the local authority refuses to provide it, how would a Government ensure that that need is met? That is the crux of the problem.

Mr Marsden: I thank the hon. Gentleman for his contribution. He is absolutely right; it is for the Government to decide how to deal with that conundrum. My point is that one cannot just assume that the problem will go away, so it needs to be addressed.

In his policy announcement in August, the Secretary of State talked about liberating local authorities from Whitehall control, but he did not offer any clear substance or resources with which councils could act on his guidance. It is all very well talking about improving security of tenure for Travellers on local authority sites, but what local authority sites are likely to exist when funding is cut and obligations are removed? Surely that will lead to a growth in unauthorised sites and the associated costs of enforcement.

The Secretary of State also announced that Traveller sites would be delivered as part of the new homes bonus scheme, but the details of that scheme will be set out in a public consultation later this year. Concerns have already been expressed about how the new homes bonus scheme will operate. I invite the Minister to elucidate further how the funding for Traveller sites might be delivered under the scheme.

A lot of strong rhetoric has been used in relation to planning circulars 01/06 and 04/07. Given the subject, I understand that but the Government have made no concrete announcements on how enforcement powers will be increased. Again, further announcements are to be made in due course. Once again—I am afraid that this has been a characteristic of DCLG Ministers since they took office—rhetoric and talk of abolition has come before any thoughtful addressing of new structures and guidance.

I invite the Minister to say a little more on the matter and on antisocial behaviour and acceptable behaviour contracts. We believe that those remain an important tool for preventing antisocial behaviour on Traveller sites. However, the Government, and the Home Secretary in particular, have talked about their desire to move beyond ASBOs and acceptable behaviour contracts. Would the Minister state what consultations DCLG Ministers will have with the Home Secretary before they spell out some of those changes in chapter and verse in the decentralisation and localism Bill?

3.47 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Andrew Stunell): I congratulate you, Mrs Brooke, on chairing the debate today and my hon. Friend the Member for East Hampshire (Damian Hinds) on his measured introduction to what is undoubtedly a difficult issue for many Members. Eleven other Members have also made speeches and a few more have intervened in the debate, so I hope that they will forgive me if I do not respond to every point that was made.

The Government share the concern that has been expressed today about unauthorised Traveller encampments and developments and their effect on local communities. The record will show some strong stories from across England. The Government want to see fair play and everyone treated equally and even-handedly, whatever community they come from or lifestyle they choose to pursue. We certainly will not allow a small minority of Travellers to set up unauthorised encampments and developments to create resentment and give other Gypsies and Travellers a bad name, worsening community cohesion along the way.

It is worth putting on the record the fact that 80% of Gypsy and Traveller families—those who are on the move and not already in bricks and mortar—are on

authorised public or authorised private sites and therefore outside the scope of the complaints and discussions that we have heard today. [HON. MEMBERS: "Hear, hear."] I am pleased to hear hon. Friends acknowledge that reality. We must be careful not to demonise the community because of some bad behaviour by some bad apples, whether they are Gypsies, Travellers or individuals from any other community.

About 13% of Gypsy and Traveller families are on their own land, but unauthorised sites. About half as many again are trespassing and encamping on land that they do not even own. We want to ensure that we provide stronger enforcement powers for local authorities to tackle such unauthorised sites and encampments. We want to limit the opportunities for retrospective planning applications. I fully share the frustration and anger that has been expressed in the debate about how those applications can be manipulated in such cases.

I am sure that hon. Members who have recently joined the House will find, as their in-trays get fuller, that they get complaints of a similar kind about retrospective planning applications of all sorts, not simply about Gypsies and Travellers. The localism Bill will be taking a completely fresh look at planning legislation and will include specific provisions about that. I hope that hon. Members understand that I am not in a position to spell the provisions out in detail.

We want to incentivise local authorities to provide appropriate sites. The hon. Member for Blackpool South (Mr Marsden), the Labour spokesman, suggested that we were speaking far too often before we had worked out the detail, but then he was pressing me to speak before we had the detail. I assure the hon. Gentleman and the House that the detail is being worked out but, as with so many other things, as a junior Minister I must say, "Await the Chancellor's statement on 20 October."

Mr Marsden: I do not expect the Minister to have every dot and comma to hand—the devil is indeed in the detail, and he does not want to be tackling the devil until he needs to. However, I gently point out the issue about the regional spatial strategy. The Secretary of State set out his intention in a five-line letter, causing considerable concern—and, in some cases, hilarity—among the planning departments of various local councils as to its legal force.

Andrew Stunell: For every sign of distress, I saw 10 signs of joy.

I want to make the point that we are also committed to addressing the discrimination and poor social outcomes experienced by Traveller communities. Some of those issues have been mentioned—schooling, health and the security of their living accommodation. In the longer term, we want to see a plan, policy or strategy that can deliver the Travelling community authorised sites, where they can live in harmony with the settled community and with the access to health and education that everyone else has and is entitled to.

As the hon. Member for East Hampshire said when introducing the debate, some of the figures are dramatically bad—length of life, maternal and child mortality, educational attainment—and ought to fill us with despair and a determination to do something about the situation.

Let me come back to the core of what has been said today. We have already written to local authorities, reminding them to be alert to the particular risks of unauthorised development over bank holidays and to be ready to respond to that. The revocation of regional strategies means that the decision making about housing of all types, including Traveller sites, will come back to local communities. We have announced our intention to revoke circular 01/2006 and to bring local authority Traveller sites into the Mobile Homes Act 1983, which was on the verge of happening before the general election, as the hon. Member for Blackpool South correctly pointed out. We believe that it is right that that should go ahead.

I have been asked to give more detail about the New Homes Bonus scheme, but I must hold back and refer hon. Members, once again, to the statement on 20 October. However, the work is there and everything is ready.

I now turn to exactly what the problem is. Under the previous Government, the number of caravans on unauthorised developments increased from 887 in 1997 to 2,395 in 2010. My hon. Friend the Member for North Wiltshire (Mr Gray) drew attention to that—the problem has not been getting smaller. The problem is not a reducing, residual one, but a continuing and, in some ways, growing one. We will ensure that the planning laws provide fairness between the settled and Travelling communities.

Andrew George: Given the vacuum following the removal of the RSS requirements and the Minister's statement that local authorities must now provide adequately for the Travelling community in their own areas, what do the Government propose if the need is clear but the local authority is unable or refuses to ensure such provision? How can the need be met in order to avoid circumstances in which such illegal and unauthorised encampments occur?

Andrew Stunell: I am not announcing the details of the Government's policy on Gypsies and Travellers in today's debate—I cannot pre-empt such an announcement. However, we are looking at such matters carefully, with some policies to be made explicit in the localism Bill, together with what we are doing about planning powers and enforcement, and some policies from other directions, as we work through the implications of providing incentives for local authorities to provide sites where needed.

Gavin Williamson: I asked a brief question in my speech about Gypsy and Traveller accommodation needs assessments. When considering appeals, are the planning inspectors to disregard totally the flawed GTAAs?

Andrew Stunell: The Secretary of State has made it clear that we are repealing circular 01/2006. I hope that the hon. Gentleman feels that that is the answer he needs. If I have missed a point, he can write to me and we can explore the issue in a little more depth.

In the course of preparing for the debate, I had the opportunity to speak to the assistant chief constable of Warwickshire, who holds the Gypsy and Traveller portfolio for the Association of Chief Police Officers. He takes responsibility across England for the police approach. His views were clear. Of course it is right that there should be strong enforcement and that the existing law

[Andrew Stunell]

should be followed through—and promptly. There should not be long delays while sites that should never have been there in the first place get unofficially authorised, as outlined so eloquently today.

However, as a senior police officer speaking on behalf of ACPO, he was also clear that the policing of such issues cannot be tackled solely by increasingly rigorous enforcement. We must tackle the underlying conditions of deprivation and alienation that beset the issue. That is why, as well as following through on what the Secretary of State has already announced and on all the other work to ensure fair treatment for both the settled and the Gypsy and Traveller communities, we are also making sure that we tackle the underlying issues of disadvantage.

I was asked one or two specific questions and, for the most part, I hope that I have dealt with them. I have tackled and explained retrospective planning permission, which will be dealt with in the localism Bill. As far as treating planning applications equally is concerned—some examples were given by the hon. Member for Sittingbourne and Sheppey (Gordon Henderson)—we will have guidance and a light touch, rather than a prescriptive national code overruling local common sense.

I noted a point made by the hon. Member for Folkestone and Hythe (Damian Collins). He wanted to know whether we could have a proper land register of public land and assets. Oh, how I wish we could, and how I wish it was possible to settle all such questions. Hopefully, local authorities of all sorts, and the Government, will become more alert to what they own, why they own it and whether they need to, thus proceeding towards a more rational estate.

Direct Democracy Initiatives

4 pm

Zac Goldsmith (Richmond Park) (Con): I appreciate this opportunity to speak about direct democracy, and I thank the Minister for attending the debate.

In recent years, we have undeniably seen a mass disengagement from the political process. The figures speak for themselves: former allegiance to political parties has plummeted over the past 15 to 20 years, and turnout at elections has followed a similar trajectory. I believe that the last three general elections had the lowest turnout of any since the second world war, so much so that the Commission on Parliament in the Public Eye said two years ago that no Government could now claim democratic legitimacy. Therefore, it is heartening that the coalition Government have embarked on a programme of reform.

However, whatever changes are brought in, it is key that they are real, not synthetic, and that, at their heart, they have a commitment to reducing radically the distance between people and power. I shall focus on two areas—the recall mechanism and local referendums—and others may add to them.

The new Government have already promised to bring in a recall initiative which, theoretically, would allow voters to get rid of MPs mid-term, or between elections, as happens in several different countries, including Switzerland. Some states in the United States of America have the same mechanism and right. However, the measures proposed by the Government fall far short of genuine recall.

The terms of reference are to be restricted to serious wrongdoing which, as far as I know, has yet to be defined properly. However, even with a definition, it will be for a parliamentary sub-committee—the Committee on Standards and Privileges—to determine whether an MP qualifies for such treatment. Instead of handing power down to voters, which is the whole point of a recall initiative, we would see power handed up to a small group of MPs. That is not by any stretch or interpretation a true recall mechanism. Ironically, it could actually aggregate even more power at the top by handing a tiny group at Westminster the power to rid Parliament of difficult, troublesome MPs.

True recall allows people to sack their representatives, for whatever reason, if a majority have lost confidence in them, and it certainly is not subject to approval by a central authority. The right should exist not just in respect of MPs but at every level: councillors, the Greater London authority, mayors, mayoral candidates, representatives and so on. This country could not be further from that at present.

I accept that this does not happen in practice, but, theoretically, it is possible for a new MP to jet off to the Bahamas the day after the election, delegate all their parliamentary and constituency work to a team of people employed at public expense and return four or five years down the line, probably to be booted out in the next election. It is likely that they would be deselected by their local party; if not, they would have the Whip removed by the central party. Nevertheless, the fact remains that the local people who put them in position would not be represented at all during the entire lifetime of the Parliament. True recall would change all that.

and would make politics much less remote and much more responsive. I urge the Minister to look again seriously at the Government's plans.

My second and final point, before I hand over, relates to local referendums. This, too, is something that the coalition Government have promised to facilitate. In my view, such referendums are absolutely key. If people have pulled away from politics—I do not believe that anyone can really argue with that—it is not because of a lack of interest in politics. Millions and millions of people around the country have signed up to pressure groups, a million people marched against the war in Iraq, and half a million people marched against the ban on hunting. We have endless examples of a very political population.

The reason why people are pulling away from the political process is that it has become far too remote, and that is true at every level of political activity. It is true at the level of the European Union, as has been debated ad nauseam in Parliament itself. It is certainly almost inconceivable to ordinary people that they could influence any decision made at any level in the EU.

Nationally, the equation is only marginally more favourable. In real terms, in the 1,500 or so days between general elections, people are denied any meaningful access to the decision-making process. Local authorities, meanwhile, have been almost completely stripped of their powers; in effect, they have been neutered. There is very little their local electors would expect them to do that they can do.

Direct democracy would provide a direct answer. It is a simple concept: it would allow people to intervene on any local issue at a time of their choosing. Assuming that they have majority support, decisions could be challenged and new ideas could be proposed. The direction of local political activity would be determined by the people most likely to be affected by those decisions.

The Government have said that they will introduce local referendums, but the details remain unknown. They mostly relate to the mechanics: how referendums would be triggered, on what issues could they be triggered, and so on. The really big issue is whether the results of referendums would be binding. It would be a huge mistake if, as some people fear, the proposal is simply to give people the power to force their representatives to debate an issue.

There is an argument that councils would feel obliged to adhere to the results of a local referendum held in their area, but, in reality, that is merely a far-flung hope. We can all reel off endless examples of local authorities ignoring local opinion, hiding behind bureaucratic procedure and so on. In reality, non-binding referendums would be an expensive gesture. We would almost be better off without them, and I say that as someone who is passionately committed to introducing them.

George Hollingbery (Meon Valley) (Con): I thank my hon. Friend for securing this important debate. Would he agree that a corollary of having binding referendums is a requirement that the decisions that voters attempt to influence are those that the people on whom they are binding can indeed influence? He referred to the impotence of local government. Would it not be an absolute requirement of binding local referendums that there should be a great deal more flexibility for local governments to fund themselves and spend as they wish?

Zac Goldsmith: I strongly agree with everything that my hon. Friend just said. I am thrilled that the coalition Government have already begun a programme of radical decentralisation. I believe that 1,200 targets were imposed on local government in the past 13 years—the figure may be slightly out, but it is thereabouts. The effect is that local authorities cannot do the things the electorate expect them to do. That means they often hide behind that ambiguity when it comes to unpopular decisions, but also that they often get the blame for bad decisions when the fault lies with central Government. I absolutely accept that both processes need to happen at the same time.

Shortly before the election, a major part of the coalition Government—the Conservative party—invited people to join the British Government. It was a message that went down well in some quarters, and one that I certainly welcomed. If we do not introduce binding referendums, we will undermine the very core of our message. It would be almost an insult to voters, who would be told, in effect, that they are not to be trusted with taking decisions that directly affect their lives.

I have set out provisions for genuine recall in my recall of elected representatives Bill, and for binding local referendums in my local referendums Bill. I shall publish them soon, and I hope that Members will support them. More importantly, I hope that the Government will incorporate them in forthcoming legislation.

4.9 pm

Mr Douglas Carswell (Clacton) (Con): I congratulate my hon. Friend the Member for Richmond Park (Zac Goldsmith) on securing this debate. It is fundamentally important that we consider ways to revive our moribund democracy. I would go so far as to say that, if one good thing came out of the previous, rotten Parliament, it was a recognition that there is something profoundly wrong with our democratic system and that we need change.

It is not surprising that our democratic system is not working, given that seven out of 10 constituencies are safe seats—one-party fiefdoms—which makes Members of Parliament inwardly accountable and inwardly responsive to party Whips, rather than outwardly responsive to the people. Direct democracy can help us change that in two or three key ways and I am pleased that the Government are toying with some ideas. However, with respect, I fear that Sir Humphrey Appleby and the powers that be in Whitehall fear the full implications of direct democracy and are already trying to water down some of the radical intentions of the coalition agenda.

Open primaries are the most significant way that we can make democracy outwardly accountable and responsive. Instead of leaving it to the party machines and hierarchies in London to decide who gets to be a Member of this legislature, we can have open primaries to throw open the question, particularly in safe seats. If Senator John McCain, a well-known national figure in the United States who has stood for the office of President, is forced to contest the nomination to be the Republican candidate in his home state, Tory, Labour and Liberal MPs in safe seats should be subject to the same process.

We must ensure that open primaries are not open caucuses. They must be full elections involving the entire constituency, rather than just matters of sectional, self-selecting self-interest. We must overcome the problem

[Mr Douglas Carswell]

of the cost. In this country we have had three open primaries: in Totnes and Gosport, and for the Mayor of London. The cost was prohibitive in other constituencies. We must, without resorting to state subsidy, taxpayer-funded politics or, heaven forbid, giving the party chairman the power to decide where open primaries should be held, find a way of allowing people to have a say about who gets to be the candidate in their constituency. A simple way to do that is to piggyback primaries on to pre-existing local ballots and allow people to petition their returning officers to trigger the process.

I hope that the Government listen and get this right, because if they get it wrong it will mean strengthening the power of the big corporate party hierarchies in London, rather than opening up democracy to local people.

The Government need to get two other things right. People should be allowed a direct say in law-making. Rather than contracting out the process to a professional caste of politicians and a priesthood of party managers, we should allow people a direct say. I am delighted that the Government are toying with the idea of a great repeal Bill—a freedom Bill—written by the people. However, I fear that they are not running this project as a wiki Bill, like the wiki Bill on Wikiversity, which is run completely as a crowd-sourced, open-source project. Instead, they are running it as a Government-owned online consultation. The difference is that, if something is genuinely crowd-sourced and the people are allowed a say, it tends to be pretty optimistic and liberal and is not dominated by demands to legalise cannabis, for example. There tends to be a much more angry and illiberal exchange in respect of a project on a Government-owned website. I hope that the Government amend the online architecture of their freedom Bill proposal, replace it with what is available free on the Wikiversity site and try to introduce the latter to the House.

The Government talked about a right of popular initiative, meaning that, instead of leaving it to the Sir Humphrey Applebys and a few Ministers to decide the legislative agenda of the Commons, we should give the people a say. There was a wonderful proposal for a threshold mechanism, under which, if a proposal got a certain number of signatures it would be introduced or at least given time and MPs would be forced to debate and vote on it. I ask the architects of this proposal in Whitehall, again, to be cautious about allowing thresholds for this popular initiative. A far better way of ensuring that the outcome is liberal and inclusive—sunshine politics, rather than reactionary, angry and sectional politics—is to ensure that different proposals have to compete for Floor time in the House of Commons, rather than having to pass a certain threshold. If we allow the threshold mechanism to be used, we would be asking for proposals that, as a liberal, I would feel uncomfortable supporting.

I hope the Government listen to these concerns and ensure that, through the mechanisms they introduce, direct democracy means more liberalism, rather than reactionary illiberalism.

4.14 pm

The Parliamentary Secretary, Cabinet Office (Mr Mark Harper): I am grateful for your chairmanship of this debate, Mrs Brooke. I thank my hon. Friend the Member for Richmond Park (Zac Goldsmith) for calling the debate and my hon. Friend the Member for Clacton (Mr Carswell) for chipping in with his thoughts on direct democracy.

My hon. Friend the Member for Richmond Park correctly set out some of the problems that we face, including public engagement with Parliament. Some issues with the previous Parliament that my hon. Friend the Member for Clacton highlighted are well known, which is why political and constitutional reform is one of this Government's central features. We need to ensure that people are properly engaged with Parliament and politics—those are not always the same thing—and that we do a much better job than the previous Government did.

Let me respond to the two things that my hon. Friend the Member for Richmond Park mentioned: recall and local referendums. I will come to the issues raised by my hon. Friend the Member for Clacton later. The prominence given to recall by all three major political parties at the general election reflected its importance. There was consensus among all those parties, particularly off the back of the expenses scandal, that we needed to do something to deal with that issue.

Under the Government's proposal, which my hon. Friend the Member for Richmond Park does not think goes far enough, the recall mechanism would be set in motion only if there were, effectively, a trigger—if an MP were engaged in serious wrongdoing. At that point, if 10% of constituents signed a petition, a by-election would be triggered in which the individual would be able to stand and defend their record. Effectively, that would put the decision in the hands of the people.

We decided to do that to deal with specific issues in the previous Parliament, because members of the public were rightly saying, in respect of matters raised with an MP early in the Parliament, "We've got an MP who's been judged to have fallen below the standards we expected, but they can continue sitting in Parliament, taking their salary for the rest of the Parliament and there's nothing we can do about it."

My hon. Friend thinks that we should go further. We balanced that right because we do not want this mechanism used as a political tool by political opponents, with Members of Parliament consistently being faced with a recall challenge based on nothing more than the fact that people disagree with them.

Mr Carswell: I respect the Minister's statement that it is important that we should not have a system that allows vexatious attempts against good, legitimately elected MPs, but will he consider the example of Winchester in 1997, when a vexatious attempt was made by the Tories to trigger a judicially sanctioned recall election because they felt that they had lost, unfairly, by two votes? They went on to lose that election by more than 20,000 votes. Surely, we should trust the people, who have pretty good judgment to decide what is and is not a legitimate complaint against a Member of Parliament.

Mr Harper: I remember that well, as I suspect my hon. Friend does. I went tramping round the streets of Winchester in that rather thankless by-election.

In his article in the press, my hon. Friend the Member for Richmond Park mentioned the Californian recall system, through which every governor since Ronald Reagan

in 1968 has faced a recall petition. Clearly, most of those petitions were not successful. The state of California is of a significant size, compared with the United Kingdom, and it takes a fair amount of organisation and initiative to even get a recall petition sorted out.

Given the size of a parliamentary constituency and that most hon. Members face significant blocks of Opposition voters, recall could easily turn into a tool used by our political opponents. I will explain in a moment why I think that that would be particularly bad, and I will try to do so in a way that my hon. Friend the Member for Clacton will find appealing.

Zac Goldsmith: I understand that recall has been successful only once in California, despite all those attempts, precisely for the reasons mentioned by my hon. Friend during his intervention.

Mr Harper: That is right. I hinted at that in my remarks. Let me mention one reason why recall would not be a good idea. My hon. Friend the Member for Clacton wants legislators and those in positions of power to be fearless and to put forward bold ideas—to be able to come up with challenging ideas, demonstrate them and argue for them in public. I think that I have characterised some of his views correctly. Under the recall system that we are talking about, legislators could be subject to recall by their constituents at any moment. If that fact were held over MPs, it would drive away any opportunity to set out bold or challenging ideas that took a while to deliver.

If someone had an idea involving a tough and difficult period with a payback taking some time to come to fruition, and if there were a recall petition hanging over them that could be triggered for political reasons, I suspect that they would be off. People who wanted to bring forward bold and radical ideas would be deterred, and the proposal would have the opposite effect.

Mr Carswell: I do not wish to labour the point, but under our proposal, recall would be a two-stage process. The people, rather than a committee of grandees in this place, would decide in a vote whether there should be a recall, and there would then be a by-election. I would rather face the judgment of the good people of my constituency than a committee of grandees in Whitehall.

Mr Harper: I understand why my hon. Friend might think that, but Members of Parliament might feel constant pressure. There is always a challenge in politics when putting forward bold ideas and having time to allow them to come to fruition before facing people's judgment.

Those of us in the business of putting forward such ideas, whether in Government or outside, must make a judgment, and the Government's view is that it would not be sensible if a recall could be triggered at any time without there having been serious wrongdoing. We have set out what we want to do, and triggering a recall on serious wrongdoing was a policy proposed in the manifestos of all three major parties at the last election. My hon. Friends the Members for Richmond Park and for Clacton still have some way to go to persuade the Government to change position.

I turn to local government. Reference was made to whether recall should apply to other elected officials. Clearly, we want high standards of behaviour from local councillors, as well as from Members of Parliament. We have announced that we will replace the existing standards regime, which is centralist and leads to vexatious complaints. We are working closely with colleagues in the Department for Communities and Local Government and local colleagues to decide what sort of regime will replace that. My hon. Friends had a meeting with the Minister with responsibility for decentralisation earlier this week, and I know that he will welcome any ideas about what that regime should look like.

Zac Goldsmith: I understand what has been said about the need for politicians to be able to make bold statements and to think outside the box, but the recall process would necessarily take many months. The right to trigger a recall would have to be activated and in turn, if that were successful, it would lead to a by-election in which the same candidate—the person who had been recalled—could stand. The process would be lengthy, and the time would give any challenged MP, local councillor, MEP and so on an opportunity to sell their ideas to the electorate. If they failed, they would lose their job, and that would be a consequence of democracy.

I am sure that every hon. Member here can think of individual local councillors who waste public money and deliver almost nothing. There must be a mechanism that allows local people who feel under-represented by councillors in safe wards, and who are given a limited menu of options at elections, to assert themselves and to ensure that they are properly represented. I again urge the Minister to consider including councillors in the recall mechanism.

Mr Harper: I am grateful for my hon. Friend's clarification.

Esther McVey (Wirral West) (Con): I thank my hon. Friend the Member for Richmond Park (Zac Goldsmith) for this debate. Engagement with the public is vital, particularly now. We need to know that we can hold our elected representatives to account. In respect of the recall mechanism and direct democracy, is there not a need for greater sanctions within the establishment as a whole so that the public can see what goes on in the House and in their councils, and whether they are being correctly dealt with internally, as well as externally?

Mr Harper: My hon. Friend raises a good point. I referred to the standards regime and one reason why we will sweep that away is that we do not believe that it works adequately. The Secretary of State said that if councillors are guilty of illegality, sanctions and a system exist to deal with that. If they are guilty of political foolishness, the ultimate sanction is that electors can throw them out. That is why we will change the conduct regime, and we are considering how to do so. I am not sure what my hon. Friend is proposing on specifics, but that is why we will change the system.

In the few minutes remaining, I want to touch on the local referendum issue, which is a little closer to what my hon. Friend the Member for Richmond Park was talking about. We want to give citizens much more say in terms of local referendums than at the moment. We have made a commitment to give local residents the power to trigger local referendums on local issues. That was raised by my hon. Friend the Member for Meon

[Mr Harper]

Valley (George Hollingbery). The issue must be local and the local authority must be able to do something about it.

We intend to include the necessary legal provisions as part of the Decentralism and Localism Bill, which was announced in the Queen's Speech. That work will be taken forward by the Minister with responsibility for decentralisation. The measures will set out the nature of local referendums and whether and in what circumstances they will be binding.

My hon. Friend the Member for Richmond Park touched on the extent to which authorities will be bound by the decision. This is a significant step forward. At the moment, local authorities can have referendums, but they, not local people, decide whether to have them. Clearly, my hon. Friend will engage in that debate and consider the Government's proposals when they are published later this autumn.

Something else that we will do—this was set out in the coalition programme for government, and my hon. Friend the Member for Clacton touched on it—is to ensure that any petition that secures 100,000 signatures will be eligible for debate in Parliament. The petition with the most signatures will enable members of the public to table a Bill that will be debated and voted on in the House.

I listened carefully to what my hon. Friend said about how we should deal with the details of that proposal to ensure—this will be music to the ears of the Deputy Prime Minister—that measures that are brought forward are liberal rather than illiberal. We will announce details of that proposal in due course; they are currently being worked on. I will share the views of my hon. Friend with the Deputy Prime Minister and the Leader of the House. We will think about them as we develop our proposals. That is a positive step forward.

My hon. Friend knows that the coalition Government's programme includes a commitment for open primaries. I heard what he said about how he would like them to operate, and I have taken careful note of that. I will pass on to the Deputy Prime Minister his thoughts about how the debate on what is in the freedom or great repeal bill could be more liberal than the way in which the Government are undertaking it.

My final point picks up on the intervention by my hon. Friend the Member for Meon Valley about local government and its scope. I hope that he will be pleased that, to promote devolution of power and greater financial autonomy, we have made a commitment to have a review of local government finance. That is a brave undertaking, given the history of local government finance reviews, but we want to do it because it is clear that unless local authorities are given more control over revenue and money, we cannot shift more power in that direction.

The Government have said that they will have a serious and wide-ranging examination of local government finance and its powers. I hope that my hon. Friend will welcome that. It is an important measure to give local authorities more power and responsibility, and will make the ability to have referendums and to engage local people in what local authorities do more meaningful. It is meaningless to have local referendums if the local authority cannot do much in response.

The coalition Government's package of political and constitutional measures that come under the heading of direct democracy, even if they do not go as far as my hon. Friend the Member for Richmond Park wants, are a step forward in reconnecting this House and this Parliament with the country and getting the public to feel that they have more ownership of how we do politics.

Zac Goldsmith: I want to ask on the record whether the Minister would be willing to come and meet the newly formed all-party group on direct democracy so that we can continue this discussion.

Mr Harper: I would be pleased to accept that invitation.

This has been a good debate, and has provided colleagues with the opportunity to make some good points. I am happy to continue it in a more informal setting so that we may continue to develop these ideas.

Telford (Regeneration)

4.29 pm

David Wright (Telford) (Lab): It is good to see you in the Chair this afternoon, Mrs Brooke. I am in the Chamber to talk about what I believe to be the most important issue in Parliament—my constituency. Of course, every hon. Member quite rightly thinks the same thing about their own constituency. As hon. Members will know, I represent the new town of Telford that was so designated in the 1960s and is one of the most successful new towns built post-world war two. The town comprises a mix of older communities on the east Shropshire coalfield such as Oakengates, Dawley and Madeley. In the 1960s, a number of new developments were created to infill the area between those towns. In many ways, the community is rooted in east Shropshire, although people have moved in, largely from the west midlands conurbation, when issues such as overcrowding and slum clearance were tackled during the 1960s.

There is a big challenge facing all new towns as a result of the fact that, because they were designated at a particular time, the fabric of the town ages over the same time period. In the late 1980s and early 1990s, significant parts of the new town estates in Telford needed to be regenerated. In addition, the older communities in our town also needed support and investment over time. Therefore, there is a mix of older towns that, as I have said, are focused around mining communities, engineering and heavy industry, much of which has now sadly gone. There are also new town estates that were designed in the 1960s and often based on the Radburn layout where non-traditional design patterns and architectural patterns were used to put housing estates together. That has thrown up a series of challenges that I will touch on in my speech.

I will now run through Telford geographically, going broadly from north to south, touching on the issues confronting each particular community. Before I do so, I will mention two key issues. First, housing has got to be the cornerstone of any regeneration activity. It was right for that to be the case when the new town was designated, and it is right for that to be the case now. There are a large number of people on the housing waiting list in Telford, with over 10,000 people seeking social housing. Over the past 20 to 30 years, we have not built enough social housing in the town and we must address that problem. I do not place blame on any particular Government; we must come together and acknowledge that we need more social and rented housing. That must be the cornerstone of our regeneration strategy.

Secondly, Building Schools for the Future is proving to be particularly successful in Telford, where the Minister will be pleased to know that the BSF programme is going ahead, largely because it has been well put together. The initial bid by the old council was good, as are the schemes being pursued by the existing council. It is a pleasure to say that I support the scheme and welcome the fact that it is continuing and that we will see over £100 million of investment in new schools across Telford. Some schools have already been rebuilt and are proving incredibly popular with pupils and parents. In many communities, those new schools will form the focal point of regeneration activity, which is why I am delighted that the programme is going ahead and will be effective in towns such as Dawley and Stirchley, and right across the borough.

I would now like to canter through some of the local communities and mention one or two of the key issues and challenges facing them. My home town is Oakengates, which is one of the older communities in Telford. I shall begin by saying what an excellent job the chamber of trade is doing in trying to sustain and promote the local economy through its activities and its superb website, visitoakengates.com. I grew up in Oakengates, which has received investment over recent years. The theatre has been refurbished, and there has been a significant amount of housing-led regeneration on former industrial sites throughout the town. Partner agencies have come in, such as the Salvation Army, which redeveloped a new hall that is a fabulous facility. We have also seen investment through the primary care trust and with GPs in new surgeries. However, Oakengates faces continuing challenges that are the same as those confronting many towns. The street environment needs to be improved—I know that the council has been talking to the community about that. The town has serious parking problems, which are dangerous. We must redesign the centre of the town to make it more attractive to retailers and the public, and we must make parking safer.

There used to be a vibrant market, and there are still two or three stalls on market day, but there used to be a lot more. We need to see a revitalised market in Oakengates and in other towns across Telford. Perhaps the Government should go back to the drawing board and think again about how to promote markets, not just in Telford but across the UK, and what more we can do to support their establishment and survival.

In many ways, Oakengates is the centre of the night-time economy in Telford, and CCTV provision must be improved and enhanced. There is also an old, classic building called the Walker Tech. I know it well, but it has fallen into disrepair and is boarded up. It and must be brought back into use as quickly as possible. It is owned by a private developer who I hope we can encourage to bring the scheme forward. The Government must think about how they can encourage developers who own older, empty buildings to bring forward investment and bring classic old buildings, such as the Walker Tech, back into use.

Another area I want to mention is St Georges, which I also know well, as it is where I went to school. Continuing with my theme, there is another classic building in St Georges called the Gower street youth club. It was an old school building but it is now empty. It could be converted into flats to provide high-quality accommodation, but again, that scheme needs to be developed quickly. I gathered a petition of over 300 signatures from people in St Georges who want the building to be brought back into use. We must develop a strategy for new youth provision in St Georges. Regeneration is not only about bricks, mortar and fabric but about sustaining communities. As I have said, youth provision was taken away when the Gower street youth club was closed, and it has never been properly replaced. There are also significant parking issues in St Georges.

I will now briefly mention one of the new town areas—Hollinswood and Randlay. Hollinswood is a classic new town estate based almost on a Radburn-style layout with a road network that is different from a

[David Wright]

traditional road layout. We need investment in the fabric and in things such as estate roads and footpaths. It is simple: often, regeneration is not about grandiose large schemes but about sustaining the investment that has already been made. In Hollinswood, we need investment in the local centre and in the general infrastructure of the estate.

To the council's credit, plans for the Randlay centre are extremely good, but we need to get on with them as quickly as possible. The community has been waiting for a long time to see the local centre in Randlay redeveloped. It is a partnership with the private sector; it is a good scheme and it should be moved forward as quickly as possible.

Dawley was the town on which the new town is based. It was called Dawley new town before being redesignated as Telford. Dawley is an old community that has undergone a lot of change. I welcome the investment in Dawley centre even though I have concerns and reservations about the new bandstand in the centre of the town and the reintroduction of traffic to the high street. However, I am open-minded and willing to be proved wrong about my concerns.

I very much welcome the investment going into Dawley, but we must do more, as we need a renewed drive against antisocial behaviour in the high street. I continue to raise that with the police, as it is an ongoing problem. Local residents constantly say to me that it is a serious issue, particularly at night. When they go in to use the town, there are gangs of young people concentrated in the town. We need to divert those people and give them something else to do, but we also need to crack down on antisocial behaviour, which is unacceptable. That must be a priority for the police in Dawley.

We also need the market back in the high street in Dawley on a Friday. Because of the street works, the market has been moved to the adjacent car park. We need to get the market back in the high street as quickly as we can, so that we can support local traders and continue to have a popular market in Dawley.

Stirchley is another new town estate, and is a good example of where Building Schools for the Future will sustain the area and help us to develop a new local centre with a focus. It is a good example of how investment through a project such as BSF can come together with a range of partners—the private sector, retailers and the health service—to remodel a local centre. I look forward to seeing exciting plans relating to Stirchley.

Brookside in my constituency is another new town area that needs investment. The local centre is a mess. The buildings are incredibly unattractive, and the street pattern has turned the area in on itself. It needs to be cleared and redeveloped, and we need to put together an exciting initiative, in partnership with the private sector, if that is to happen. There are serious street drinking problems outside that local centre, and the police need to deal with that effectively.

The Wrekin Housing Trust has been using people engaged in the future jobs fund to progress improvements on the estate. Unfortunately, that programme is coming to an end. More than 20 people have been involved. I would like to think that agencies could look again at how we engage people, through schemes such as the future jobs fund or a replacement for it, to get people active, cleaning up neighbourhoods and receiving training as well. We need Government support to develop a major regeneration plan for the Brookside area.

One of the first major regeneration schemes that we pursued in Telford was at Woodside. I am very proud to have been involved in that project over the years, right from its start. We have done some fantastic work up there. We are now starting to see work progress on the local centre and on the area to the east of the estate, which needs to be redesigned. I would like to hear from the Minister today an ongoing commitment to Woodside. I am sure that he will be able to give one—I hope he will—because the project is the lynchpin of regeneration in southern Telford.

Similarly, I would like the Minister to give a commitment to further investment on Sutton Hill, which was the first new town estate to be built. It has major design and infrastructure needs. There is a big scheme on the anvil to redevelop the centre of the estate, alongside the investment that has been made in the children's centre and in the new school over recent years. There is a very positive agenda for Sutton Hill, but the local centre needs to be remodelled, and we have to examine the layout of the rest of the estate as well, because regeneration does not just involve the centre. We need to remodel the roadways and the neighbourhoods, because of the design of the estate.

I welcome the work that the police have done in recent weeks to tackle fire starting in Sutton Hill. Someone has been setting fire to vehicles and caravans there. The police have been working very hard on that, with information from the local community, and I very much welcome that. However, there are other issues of antisocial behaviour on Sutton Hill where, at night, young people gather and intimidate others. We need to think about how we police that area and, again, how we divert the people involved and make the environment safe.

I have mentioned a number of new town estates, and one of the big issues on those estates is empty homes, which are often owned by private landlords, who perhaps own one, two or three properties. They are very often absentee landlords who do not look after their properties. The Government need to re-examine how to secure possession of those empty homes, which are owned by a single landlord or small groups of landlords, because they drag an area down very quickly and a whole street can be blighted if one property is empty.

Madeley is a good example of how the private sector can lead regeneration. The scheme in Madeley is excellent, and I congratulate Tesco on the fantastic job that is has done there. The centre has been completely revitalised through a good partnership with Tesco, involving investment in the local street scene, rather than an out-of-town store. Tesco deserves some credit for that.

I now want to discuss Telford town centre, where there are a number of key private sector interests and where the local authority, too, has its offices. There is a real opportunity to transform the environment and create a lively centre with high-quality shopping, entertainment and office and residential development. My concern is that the partners are not producing a comprehensive vision for the area because the owners of

the shopping centre—Hark Group Ltd—and the local authority seem to be at odds over the best way to proceed.

The council sold its Malinslee House headquarters to Asda, which is moving out of the shopping centre. I disagreed with that decision, as the original plans for the redevelopment of the Telford centre envisaged the Malinslee House site as a mix of residential, office and small retail units. In my view, that is still the best use of the site. That said, local government means just that—government, not administration. The council has taken its decision democratically, which is fair enough. However, I am concerned that an application by Hark to create a new supermarket and a range of smaller shops and restaurants on the Red Oak car park site has been with the council for some nine months. That application must be determined as soon as possible. Hark invested £450 million when it purchased the Telford shopping centre, and that scheme could provide 400 jobs that the town desperately needs.

I welcome the initiative in the town centre to redevelop the Southwater area, and the council and the Southwater Event Group seem to be working well together. The Telford international centre is, by the nature of its name, a venue of international quality, and we need to support it fully. There is a real opportunity to transform the environment and we should grasp it.

Mark Pritchard (The Wrekin) (Con): I congratulate the hon. Gentleman on initiating this important debate. He is a fair-minded Member of the House, so will he congratulate Conservative-controlled Telford and Wrekin council on the regeneration partnerships that it has already formed and the regeneration not only of wards in his constituency, but of market towns in other parts of the borough? Also, will he put on the record his support for the formation of a local enterprise partnership with Shropshire council and other stakeholders in the county and in the borough, devolving powers from Advantage West Midlands to ensure that rural areas and places such as Telford and Wrekin—urban areas—receive more funding, rather than just urban areas in Birmingham?

David Wright: It is good to see my hon. Friend, as I shall call him, here this afternoon. There has been a good record, under both the Labour Administration and the Conservative Administration we have now, of putting together partnerships. Woodside was put together under the Labour Administration and has been very successful. Other partnerships put together by the Conservative-controlled council have also been successful. I do not think there is a need for us to divide up on that. We have a good record over a number of decades of putting together regeneration programmes, which is positive. We are meeting about the local enterprise structures in the next two or three weeks, and I shall be keen to see what the council is proposing on that score.

I am conscious of the time and I wanted to secure from the Minister a commitment to the regeneration programmes that we currently have in Telford through a confirmation from him that existing funding is safe, that schemes will be completed and that budgets through the local government settlement and through the Homes and Communities Agency will be protected. I would like to think that he will agree to commit the HCA to work with the local community on the creation of new regeneration plans for areas such as Brookside, and that he will look positively on proposals that may be made to extend the scope of regeneration activity under way or planned in areas such as Sutton Hill.

Finally, will the Minister take another look at some of the housing issues? Housing will be a central element of our plans to regenerate the town. Will he consider any proposals that may be made to develop more social housing in the town and will he take another look—a serious look—at empty homes and their impact, not just in Telford but throughout the country?

4.49 pm

The Parliamentary Under-Secretary of State for Communities and Local Government (Robert Neill): It is a pleasure to see you in the Chair, Mrs Brooke. I join in the congratulations to the hon. Member for Telford (David Wright) on securing the debate, which he has made full use of on behalf of his constituents. In addition, I welcome my hon. Friend the Member for The Wrekin (Mark Pritchard), who is also interested in this issue. It is an important one, and I appreciate the way in which the hon. Gentleman put his case.

Regeneration is something to which the Government are absolutely committed, and I was interested and pleased to learn about Telford and Wrekin's ambitious regeneration agenda and the projects and programmes that were mentioned, including the multi-million pound borough town initiative. That tailored approach to meeting the needs of six individual and distinctively different towns demonstrates the importance of local understanding in developing successful regeneration programmes.

Local people have not only the knowledge but, more importantly, a vested interest in the best sense of that phrase in driving forward the changes needed to improve their communities and areas. That is why the Government are committed to devolving power to neighbourhoods, scrapping regional planning and allowing communities and local councils such as Telford and Wrekin to have much greater control and power over their own destiny. By removing the regional tier of government and abolishing the regional development agencies, neighbourhoods—and their councils and partners, as we heard—will finally be at the very heart of regeneration.

I am conscious, however, that no two areas are the same and that each has its own priorities and faces its own challenges. That was amply demonstrated by the hon. Gentleman. That is why we invited local authorities and business leaders to form local enterprise partnerships. I am glad that the hon. Gentleman looks forward to finding out the details. My hon. Friend is right that there is a bid from the local authorities and the business community in the Marches to join local authorities in forming exactly such a partnership, with interventions focusing on enterprise, employment, planning and housing, transport and infrastructure, education and skills, sustainability and strategic leadership. I know that the bid picks up on a number of those factors, including housing, education and skills, which were referred to during the debate.

Those partnerships are key regeneration vehicles. They will empower local areas to provide the strategic leadership needed to drive economic growth and enterprise and to meet local priorities. It will give local authorities, businesses

[Robert Neill]

and the voluntary sector the opportunity to join in rationalising existing arrangements and focus economic activity at the local level. Those reforms, together with the new general power of competence, will make it easier for local authorities to bring about real change and drive forward the regeneration that their communities want.

Alongside that more permissive neighbourhood-based approach to delivering regeneration, we are developing a new way of thinking. We need to get away from the idea that things can be fixed only through Government intervention. The Government are not always needed to fix things. We need to get into the habit of finding local solutions to local problems, driven by local people. However, that does not mean that the Government are entirely out of the picture; of course we have a responsibility to provide communities with the right incentives, tools and information that they need if we want them to participate actively in the regeneration and economic growth of their local areas.

That is why, in addition to the introduction of local enterprise partnerships, the Government are establishing a £1 billion regional growth fund to provide support for projects that offer significant potential for sustainable economic growth that can create new private sector employment. As hon. Members know, the fund will operate for two years and will play a central role in rebalancing the economy in those regions where, historically, there may have been some reliance on public sector spending. Proposals for that could come from both private and public bodies—and, I hope, private-public partnerships. I am sure that local enterprise partnerships will play a key role in that process.

I am conscious that the spending review dominates a great deal of thinking at this time. I am sure that the hon. Gentleman will appreciate that I cannot pre-empt its results.

Mark Pritchard: The local enterprise partnership submission to the Government from Shropshire, Telford, Wrekin, Herefordshire, the Marches and business partners makes various recommendations and requests. One relates to the Homes and Communities Agency, which has significant assets in Telford and Wrekin. I hope that the Government will look carefully and favourably on allowing HCA assets to come to the LEP in order that regeneration can take place locally.

Robert Neill: I am grateful to my hon. Friend for that intervention. I am aware of that ambition, and Ministers in my Department and in the Department for Business, Innovation and Skills will want to consider the bid carefully. I am glad that the LEPs are ambitious in such matters. We will obviously need to consider the detail of the bid, which was received only recently. I am sure that the growth of LEPs, together with the regional grown fund, will be of benefit for exactly that sort of consideration.

I am well aware of the hon. Gentleman's interest in housing and housing growth in Telford. He spoke of the shortage of affordable housing in the borough. Areas such as Telford, where there appears to be a recognition of the need for housing and a willingness to grow, are precisely the areas that will stand to benefit from the Government's new homes bonus scheme, particularly in relation to the need for social or other affordable housing. Funding at 125% will be a particular incentive for such authorities. I am sure that that will be a material benefit.

I understand that Telford was one of the first authorities in the west midlands to develop a local investment plan with the HCA, in which it set out its key housing priorities for the next three years. As we have heard, it is focusing on town centre renaissance and regeneration, including the projects referred to by the hon. Gentleman, and the establishment of a housing and regeneration partnership board with the borough council and the HCA—another good example of community working.

In relation to the specifics of Woodside raised by the hon. Gentleman, I am aware that Telford and Wrekin council is currently working out proposals for the next phase of the project, including the provision of affordable homes, open space and the remodelling of existing areas. We will of course consider those proposals with interest. I hope that the levers that we have will encourage the council. Similarly, in relation to Sutton Hill, the first phase is under way, focusing on the local centre benefiting from HCA investment, match-funded by the local authority, and the strategy for future phases is being considering further by Telford and Wrekin council. Again, we look forward to seeing its proposals.

The hon. Gentleman mentioned empty housing; he made a fair point. It is still a problem in various parts of the country, and local authorities have a key role in identifying empty homes and working with owners to bring them back into use. The Government have given a commitment to explore a range of measures to bring empty homes back into use, and we began the process in the summer and autumn as outlined in the Department for Communities and Local Government's structural reform plan. I am sure that the hon. Gentleman will have seen that plan; it is available on the website. Again, the power of general competence gives a further potential lever for local authorities to use in that regard.

I turn to the question of markets. As a local councillor, I had a spell as chairman of my borough council's markets committee. It was a fascinating period of my political life. Markets make an important contribution to the local economy. We are alert to the matter, and my fellow Minister, the hon. Member for Hazel Grove (Andrew Stunell), is working on the matter and will shortly be issuing further proposals. We hope to work with the market and retail sectors, giving advice and support for existing markets and encouraging new ones. The Government can work with the retail sector to encourage such things. The hon. Gentleman has made a timely intervention on that topic, and we are endeavouring to take it on board.

I look forward in due course to finding out more about Telford. I have done my best to deal with the points raised by the hon. Gentleman, and I am grateful to him for having drawn those points to our attention.

Question put and agreed to.

5 pm

Sitting adjourned.

Westminster Hall

Thursday 9 September 2010

[MR PHILIP DAVIES *in the Chair*]

Controls on Legal Highs

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Vara.)*

2.30 pm

The Parliamentary Under-Secretary of State for the Home Department (James Brokenshire): It is a real pleasure to serve under your chairmanship, Mr Davies, in your first debate in Westminster Hall. I congratulate you on your appointment to the Panel of Chairs. I wish you all success in that position and in chairing many more debates in the weeks and months ahead.

In securing the debate today, I wish to address the issue of so-called legal highs, which are new psychoactive synthetic substances. The coalition Government will not lose sight of the harms caused by all drug use. Within our objective of making society a safer place for young people, we need to be responsive to such new threats and new harms. Over the past 18 months or so, there has been a proliferation of so-called legal highs, which are often drugs with a similar molecular structure to a controlled drug, but they have been deliberately altered by unscrupulous manufacturers to subvert our laws by producing an entirely new compound which, although the pharmacological effects may be similar to or greater than the controlled drug, are not already controlled under the Misuse of Drugs Act 1971.

Those selling these potentially harmful drugs advertise them as legal and safe, often under purposely enticing brand names such as Fast Lane, Silver Bullet and many others, including Ivory Wave, to which I will refer later. They often label them as "not for human consumption" or "research chemicals", or describe them as pond cleaner, plant food or bath salts, with the aim of circumventing medicines legislation—a purely insidious ruse. Another alarming feature is the way in which legal highs are advertised and sold over the internet, creating a more connected global marketplace, thus increasing the ways in which it is possible to buy drugs, which can be accessed by people of all ages.

A further layer of complexity is highlighted by the research from test purchases referred to in the latest report on naphyrone by the Advisory Council on the Misuse of Drugs. Although people who sell legal highs often brand them as legal, test purchases demonstrate that they may contain any number of illegal substances, especially cathinones, legal stimulants or other active and inactive constituents. Simply because a drug is marketed as legal does not mean that it is safe or, indeed, that it is legal.

There is no starker reminder of the problem than the UK's experience with mephedrone, which was rapidly established in the UK and was eventually brought under the control of the Misuse of Drugs Act with cross-party agreement in the final days of the last Parliament. The hon. Member for Tynemouth (Mr Campbell) is here this afternoon, and I know that he was involved in work to secure that position.

I want to discuss first the harms of such drugs, because that is at the root of our concerns and responsibilities. It is becoming increasingly clear that those substances are far from harmless and can have similar health risks to drugs such as cocaine, ecstasy and amphetamines. The ACMD—our independent expert advisers—has provided full assessments of harms on a range of substances that could be described as the first generation of legal highs: gamma-butyrolactone or GBL; synthetic cannabinoids; benzylpiperazine or BZP; and related piperazines and cathinones, including mephedrone and naphyrone. It is clear that some of those substances are so novel that there is little research into the short, medium and long-term risks that they pose.

What we can conclude from the ACMD's reports to date is that those drugs—in some cases, more properly described as chemicals—are far from safe. By way of example, the harms associated with mephedrone identified by the ACMD include anxiety and paranoid states, and the risk of over-stimulating the heart and nervous system to cause fits and delusions as well as the risk of dependency. The recently published 2010 annual report by the national programme on substance abuse deaths advises that mephedrone has been detected in a total of 38 deaths in the UK, and was the sole direct cause of death in at least two of them. In a further two cases, mephedrone was implicated but there were also underlying health issues. Mephedrone has been implicated in two cases of death by hanging and was a contributory factor to another two deaths by natural causes. A remaining 29 cases await the completion of inquiries by the coroner or the procurator fiscal. It should be emphasised that the risks associated with the substances are increased if they are used with alcohol or other drugs.

For the reasons I have set out, action to address the health risks arising from the use of legal highs, including new ones coming on to the market, is a priority for the coalition Government. We need to reduce the supply of, and the demand for, new substances. Our response must be wide-ranging, encompassing prevention, education, treatment and enforcement, and at its core is our legislative response. As with all drugs, enforcement action must be taken at home—at local and at national levels—at our borders and abroad, to create a hostile environment for those selling legal highs on the internet and in so-called "head shops".

In many ways, policing legal highs presents particular challenges for law enforcement, but I am encouraged that with joint working across law enforcement we are beginning to gain a better understanding and application of the full range of tools and powers available. We are working closely with the Association of Chief Police Officers and other agencies to develop a comprehensive and robust approach to tackle the mis-selling of illicit substances such as legal highs by taking local, targeted action. ACPO guidance has been updated and is available to all police forces in England, Wales and Northern Ireland.

My Department has also called on local trading standards teams, through local authority chief executives, to work in partnership with the police to deal with the sale of legal highs, taking full account of the latest evidence that something branded as legal is not necessarily

[James Brokenshire]

so, and to make appropriate referrals to the police and otherwise apply their responsibility for enforcing offences under the Consumer Protection from Unfair Trading Regulations 2008. Trading standards and the police, in a number of locations, are working closely with a range of partners, including drug treatment agencies, schools and youth services, to gather intelligence and to tackle sales from head shops and the internet.

In Norfolk, for example, all retailers believed to be selling legal highs have been visited by local trading standards officers. In Suffolk, following effective action by the police and trading standards, all known retailers have now agreed not to stock or to supply legal highs. We should also remember that it is illegal to sell, supply or advertise legal highs for human consumption under medicines legislation. The Medicines and Healthcare products Regulatory Agency will take appropriate measures to control and enforce medicines law.

The UK Border Agency has undertaken effective enforcement action against criminal gangs that traffic such drugs across our borders, by seizing and destroying shipments of illegal drugs and of legal highs that have been subject to an import ban under the open general import licence. The Serious Organised Crime Agency has actively developed approaches to identify importers, distributors and sellers of legal highs. That includes activity in conjunction with law enforcement partners and in parallel with work conducted by Europol and by the European Monitoring Centre for Drugs and Drug Addiction to gather intelligence on suppliers of legal high substances on the internet. Productive discussions have taken place with the competent authorities within source countries, mindful of their internal laws and regulations.

Along with referrals for enforcement action where appropriate, SOCA has also taken action to disrupt such activity by using preventive tools, such as the removal of websites, either in tandem with more traditional activity or independently. As part of a wider initiative to disrupt criminal activity, SOCA has closed 113 websites that offered mephedrone or naphyrone for sale after the respective bans.

Those trafficking banned substances face a substantial term of imprisonment—up to a maximum of 14 years—and, where they have profited from any illegal trade, the courts have the power to seize their property and other assets under the Proceeds of Crime Act 2002. We are also strengthening our forensic capability to identify new illicit drugs and emerging legal highs by creating a virtual reference library of characterised chemical standards. Working with forensics providers, the library will allow new evidential methods to be used to enable the police and UKBA to enforce the law. We are introducing technology at the borders to support UKBA in identifying any new drugs imported into the UK. That work will feed directly into our early warning capabilities.

Enforcement action of that kind is effective. We continue to monitor the impact of the recent bans on mephedrone and naphyrone, but indications are that they have curtailed availability, with law enforcement agencies able to take swift action to seize drugs and, to some degree, with retailers self-regulating themselves. Since the bans were introduced, UKBA has made a number of detections. It has stopped more than 128 kg of chemicals that it suspects to be mephedrone from entering the UK, and has seized more than 125 kg of naphyrone. Early indications from the police and forensics providers suggest that there has been a sizeable number of seizures of mephedrone since the ban in April this year. I hope to see the anecdotal information translated into national statistics in due course.

Prevention of drug use is an absolutely important element of the coalition Government's approach to drugs. Young people need to be empowered to make the right decisions, and we all have a role to play in helping them to do that by changing attitudes towards any drug use. Young people need to be aware of the dangers of substances, including emerging legal highs. Parents must take a certain amount of responsibility for this. We know that young people listen to and trust their parents on such issues, and that parents can be hugely influential.

We also need to ensure that we get the balance right between communicating information accurately to the media and young people to deter use, and avoiding inadvertently raising interest in experimenting with new substances as they emerge. Interest in mephedrone and searches to buy it online increased with media coverage. In June, I wrote to the organisers of music festivals to make them aware of that, and asked them to review the measures that they put in place to ensure that their festivals are as safe an environment as possible.

Since 2005, the FRANK service has been offering a universally accessible service for anyone wanting help, information or advice on drug issues. The service, which is available by phone, on the web or by e-mail, can put people in touch with local services in their area and send out free information materials. FRANK also provides partners such as schools, youth services, charities and local services with an effective means of engaging with young people through the distribution of leaflets and classroom packs to deliver drugs education.

Later this month, we will launch a campaign to raise students' awareness of the dangers of so-called legal highs and the risks associated with the use of such substances. We have established a partnership with the National Union of Students to deliver the campaign, which will launch during the freshers period to coincide with the new university year and the run-up to Christmas. Our work will seek to educate students on health risks associated with the use of legal highs and inform them of the possible illegalities of using such substances. As part of that campaign activity, I will write to university vice-chancellors to make them aware of the issue.

The FRANK service will be a key vehicle for communicating those messages. It provides up-to-date information on legal highs to young people, parents and carers via its website, helpline and text service. FRANK's key messages on legal highs emphasise, first, that just because a drug is legal to possess, it does not mean that it is safe, and, secondly, that it is likely that drugs sold as a legal high may contain one or more substances that it is illegal to possess.

Previously, head teachers and authorised school staff had the statutory power to search without consent only those who were suspected of carrying a knife or other weapon. On 7 July, the Minister of State, Department for Education, my hon. Friend the Member for Bognor Regis and Littlehampton (Mr Gibb), announced that, as of 1 September—very recently, at the start of the term—that authority would be extended to include

legal highs and several other articles. Our drug laws need to change more quickly to protect the public, and to combat the unscrupulous manufacturers and suppliers who seek to make huge profits at the cost of the health of the public, especially young people. As set out in the coalition agreement, the coalition Government have made it a priority to introduce a system of temporary bans as such substances emerge, .

The underlying purpose of the temporary banning power is to enable us to legislate quickly, while at the same time providing the Advisory Council on the Misuse of Drugs with the time and space that it needs to formulate its full advice. The power is subject to parliamentary scrutiny, and while it targets supply, it does not criminalise young people unnecessarily, particularly when the true nature of the substance may still be in question.

I want to make it clear that the temporary banning power is a key and necessary tool in our legislative response to this changing landscape, but our preferred approach to drug control will remain the one which the advisory council and the Government have adopted for the past 40 years: a full assessment by the council before any controls are invoked by Parliament. I also wish to endorse and, as advice leads us, continue to adopt the use of generic definitions in our drug legislation to capture not only the substance encountered in the UK but its related compounds.

The Government intend to amend the UK-wide Misuse of Drugs Act 1971 in this first Session of Parliament. The power will have the following features: orders placing a drug under temporary control will be subject to a 12-month time period or earlier revocation if, for example, the drug becomes subject to permanent control in that time; it will be applied to trafficking offences including possession with intent to supply, offer to supply, supply, importation, exportation and production; it will apply class B current maximum penalties and/or an unlimited fine on indictment and six months and/or a £5,000 fine on summary conviction; and it will subject an order for temporary classification to the negative resolution procedure, and retain the affirmative resolution procedure with Privy Council Order in Council for permanent control.

I wish to highlight three features. First, the possession offence ordinarily prescribed for illegal drugs under the 1971 Act will not apply. A possession offence would send the strongest message, but our focus is on targeting importers and suppliers to curb availability, not to criminalise users, especially young people, while the full nature of the substance is mostly uncertain. However, we will ensure that law enforcement officers have the power to seize and retain a drug under temporary classification.

Secondly, as with drugs brought under permanent control, the role of scientific advice is both integral and necessary to ensure that any temporary ban is invoked on a necessary and proportionate basis. The advice that the advisory council has provided is key to the effectiveness to date of the UK's legislative response, and it has enabled the UK to lead the world in responding to such challenges. It is proposed that the council discharge this role under a temporary banning power in line with its statutory position to provide expert independent advice, including on a drug's likely psychoactive properties, as well as an indication of likely harmfulness, and legitimate use, for which we would have to consider the impact of control, as we do for drugs subject to permanent control.

We are working closely with the advisory council to develop a protocol under which we would work under a temporary banning power. The council and the Government also need to oversee the development of a more systematic approach to providing early warning of new substances. Thirdly, it is my intention to apply the Proceeds of Crime Act 2002 to drugs that are subject to a temporary control order, so we will seize property and other assets from those who are caught peddling such drugs out of pure greed, recklessly or deliberately disregarding the harm that they cause. Pursuant to our wider communications response, a clear and consistent narrative around the temporary class will support the proposed new power, to ensure that it is not less effective than the current system of control, and that users do not continue to use a drug subject to temporary classification with impunity.

Tom Brake (Carshalton and Wallington) (LD): Can the Minister clarify one aspect of the temporary ban? If the advisory council subsequently finds that the drug is not in fact dangerous in any shape or form, what will happen to anyone who might have been prosecuted for supply?

James Brokenshire: The hon. Gentleman makes an important point. In circumstances in which legislation subsequently changes, the criminal sanction still stands. That is why we have focused on the supply and public harm issues, rather than creating a possession offence.

If the ACMD were subsequently to determine that a drug under the temporary classification was not to move into a permanent classification, and someone had been convicted after an offence had been identified and a prosecution secured, that offence would still stand. That underlines the need for the protocol with the ACMD, which I have mentioned, allowing us to seek advice from it on the use of the temporary ban in the first place. That may be done on a more fast-track basis, but certain tenets need to be applied to that process, because the intention in using the temporary ban is not, as I have said, to circumvent the existing system but to use it. Issues to do with mephedrone and other legal highs have highlighted the potential need to act quickly, from a public harm perspective, and that is the focus of our intent.

John Woodcock (Barrow and Furness) (Lab/Co-op): Does the Minister not agree that it would be strange if subsequent medical advice changed our understanding of a drug, and we had to say to a group of people who had deliberately circumvented the law—and not on the basis that they thought that there was a moral right to obtain this harmless drug—"Actually, it's fine, you can get compensation for whatever penalties we imposed on you"?

James Brokenshire: The relevant point here concerning legal highs is that the ACMD flagged up to the Government its concern about mephedrone, pointing out that there was a problem it needed to do further work on to reach a final conclusion. It was so concerned that it was almost advising the Government to take preventive

[James Brokenshire]

steps. Through this mechanism we want to be able to act, from a public harm and a warning perspective, to ensure that those issues are dealt with swiftly and quickly. In other words, we want to try to reduce the risk of harm occurring. That is the emphasis and intention behind the temporary banning power, and it is consistent with the approach taken in other legislation: that if the law is subsequently changed, pre-existing offences that may have been incurred still subsist.

I should like to mention Ivory Wave, which is causing a number of hon. Members significant concern and has been mentioned in the press and the media. I want to deal with certain reports associating the use of the so-called legal high-branded product Ivory Wave with a number of localised accident and emergency presentations in the last few weeks. Health alerts have been issued by the chief medical officers for England and Wales and Scotland, and the FRANK service was updated to highlight the risks that we are currently aware of that are associated with Ivory Wave. We are actively monitoring the situation. My Department has received early information from the Scottish Crime and Drugs Enforcement Agency that the latest Ivory Wave products associated with the admissions in Lothian may contain a non-controlled amphetamine-type stimulant, Desoxypipradrol, or 2-DPMP. Confirmation from forensic providers and details of other sampling is awaited.

In Edinburgh, Lothian and Borders police, in partnership with the City of Edinburgh public health authorities, have visited a number of head shops, which has led to the removal of Ivory Wave products from sale. Hampshire police have also conducted a joint operation with trading standards, raiding two head shops on the Isle of Wight, resulting in the seizure of large quantities of legal highs and the arrest of two individuals for suspected supply of controlled drugs. In the light of that information, earlier this week I spoke to the chair of ACMD, Professor Les Iversen, and asked the council to keep a close interest in developments here and provide advice as necessary. I have instructed my officials to share with the ACMD information that we have and provide regular updates.

There were previous indications that the so-called legal high Ivory Wave had contained certain controlled drugs. Different supplies of Ivory Wave using that brand name contain different drugs, some of which may already be controlled drugs, hence our seeking further information on the forensics and the nature of the drugs seized under that branding.

We are dealing with this emerging and dynamic problem of legal highs, including BZP, synthetic cannabinoids, mephedrone and the latest so-called legal high. Although effective legislation is integral to our response to protect the public—particularly the health of our young people—from the harms of the drugs, there is no easy fix. We are working closely with the ACMD out of a shared concern about these new psychoactive substances. As well as advice on individual drugs, our response will also be informed by the advisory council's thematic work on legal highs. That response must be wide-ranging, encompassing all the strands that will reduce both demand and supply. But let me say clearly to anyone tempted to try a legal high that just because something is advertised as legal does not mean it is safe—and it may not even be legal.

2.56 pm

John Woodcock (Barrow and Furness) (Lab/Co-op): I welcome this debate and many of the steps that the new Government are taking, which follow the previous Administration's effective and determined approach to tackling this difficult problem. I am glad to have the chance to speak in this debate, because there is a problem with the way we discuss so-called legal highs. Perhaps we need to find a better way of branding such drugs, which cause a great deal of harm to individuals and communities.

A number of issues that the Minister mentioned were also big issues in Barrow. I want briefly to mention a number of matters. First, he made an interesting point about the responsibility of traders to act in a way that minimises the harm to which young people can be subjected. I am glad that he gave an example of traders acting responsibly. However, I have to say that in Barrow, my personal experience prior to the election was not the same: local shops refused to cease stocking mephedrone before the temporary ban was put in place. Such an example calls into question whether the new powers that the Minister is suggesting, which are welcome, will go far enough in the important interim period that he rightly identified—in which a drug becomes controversial and notorious and the process to put a temporary ban in placed is started, and during which sales can increase.

The point made about the legality of so-called legal high drugs before they are in the public domain is apposite. We knew from personal experience—I should say that that this is not my personal experience—in Barrow of a substance called Shake 'n' Vac: a repackaging of mephedrone, which received a lot of attention during the mephedrone debate. That substance was sold in quantities of 1 gram for £15, purportedly as carpet cleaner, with the words, "Not for human consumption" written on it. It was laughable to suggest that the traders in question might believe that it was carpet cleaner, and it was clear that they did not. Is there not a way of immediately enforcing current law if it is sufficient to stop such products being mis-sold? If that is not possible under the current law, should it not be tightened? Could there not be a power to place an immediate suspension on suspicious substances, even before a temporary ban? If that power were used wrongly, traders could seek financial recompense, but in cases that seem as clear-cut as those experienced in my area, the chances of success would be slight.

Tom Brake: I understand the hon. Gentleman's point, but does he foresee difficulties if someone sells Shake 'n' Vac—the real thing that goes into vacuum cleaners—and advertises it at £15 a gram? They would be selling a product at a super-inflated price.

John Woodcock: I take the theoretical point, but I am not sure whether, in the real world, one would come remotely close to such circumstances. Frankly, if my proposal catches some rogue traders who are prepared to dupe people, we could probably live with that. The level of damage that is being perpetrated and the risks to which young people are being exposed mean that we must make decisions that fall within the bounds of common sense, and I believe that they would be readily accepted. I am interested to hear more about what the Government can do.

My final point concerns agreement on how important it is to clamp down on this malicious and immoral practice. Can the Minister guarantee that, given the severe budget constraints on the police and the whole of Government, this work will not suffer in the months and years ahead?

3.2 pm

Tom Brake (Carshalton and Wallington) (LD): I welcome you to the debate, Mr Davies. This is the first debate in which you have been in the Chair, and the first in which I have participated under your chairmanship. I thank the Minister for initiating the debate. The problem of legal highs activates communities, and that was certainly my experience when a shop in my constituency, suitably called Your High, opened round the corner from a primary school and down the road from a secondary school. I am pleased that it has since shut, but it generated a lot of concern in the community, so it is right that we are debating the matter here.

I was interested and pleased to hear the Minister refer to Ivory Wave, which is the current so-called legal high, and I agree with the hon. Member for Barrow and Furness (John Woodcock) that we should find another phrase. Perhaps "soon-to-be illegal highs" might be appropriate. I was interested to hear the Minister refer to mephedrone but not meow meow. I understand from my street adviser, Grant Sibley, that only politicians and journalists refer to meow meow, and that mephedrone is the appropriate word.

This debate is focused on legal highs, but hon. Members will be aware that a wider drugs consultation is under way that looks at that issue, for which the closing date is 30 September. I hope that it will be possible for us, not now, but over the coming months and years, to have a more open and frank discussion about tackling drugs. All hon. Members here today know that the subject is difficult for politicians to address, because sometimes the most effective solutions as suggested by the evidence may not be politically acceptable, but we must address the problem in an evidence-based way. When people such as the former president of the Royal College of Physicians says that a blanket ban is not necessarily the most effective way of tackling the drugs issue, we must consider that and assess the implications, if any, for Government policy. We must find a way of creating space in which it is safe for politicians to debate these matters and to rely on what evidence-based solutions might recommend.

I was intrigued, interested and pleased that the Government are considering the approach to drugs adopted by the Portuguese and Spanish Governments. I see the hon. Member for Tynemouth (Mr Campbell) smiling, and I am sure that he will refer to Liberal Democrats being soft on drugs—that is a standard Labour phrase—but the fact is that Spain and Portugal have adopted a different approach towards personal possession. It is interesting that the all-party consensus in those countries about what might have been expected to be the consequences of such an approach did not transpire when that policy was implemented. I am not advocating that policy, but I am advocating that we should be allowed to debate it, analyse it and come to our own conclusions without being buffeted around by some of the media.

I shall focus more narrowly on legal highs. I agree that we need a new name, and perhaps the Minister will provide us with a definition of a legal high, if we are to continue to use that phrase. He rightly identified the need to educate people on the dangers associated with so-called legal highs, and it is clear, regrettably, that whatever is being done at the moment is not sufficient. As and when a legal high is found to be a toxic substance and becomes illegal, the producers simply move on to another product, a hybrid product, or simply rename the product. Unfortunately, people then go out and buy it. It is strange, but I suspect that some of the people who buy such products examine the list of ingredients for E numbers in products bought from supermarkets. They may avoid such products, but be happy to buy something with zero knowledge of what may be in it. It may contain herbal or chemical ingredients that may be toxic and are probably illegal, yet they buy it. Whatever we are doing educationally, it is not having the impact that it should. I agree that parents have a role to play, but in some families the matter is not discussed, so there is also a role for schools, which should perhaps include other drugs such as alcohol and be more proactive in addressing that concern.

I shall focus specifically on legal highs. The briefing that was prepared for this debate refers to the Misuse of Drugs Act 1971, but there is also the Medicines Act 1968. The Medicines Act can be used when something is said to have a physiological effect or a potentially harmful effect on the body, and we might be able to use it as well as, or instead of, the Misuse of Drugs Act to deal with some of these products. If so, will the Minister tell us whether there would be any advantages to doing that and what they might be?

I have some further specific questions. The Minister has responded on the issue of the temporary ban, and I understand his point. If we have a temporary ban—my colleagues and I support such a move—there is a very small possibility that a substance that is subject to such a ban will subsequently be found to be totally harmless. A person might be prosecuted and possibly found guilty and sent to prison, but we might subsequently find that the reason for doing that no longer exists. As the Minister said, it is essential that the ACMD's protocol is clear and sufficiently robust. None of us would want a temporary ban to be imposed, only for the substance subsequently to turn out to be a perfectly harmless herbal product. We need to be confident that the protocol stands up.

John Woodcock: These people know what the law is when it is put in place, but they choose to break it. By the hon. Gentleman's logic, if the advisory council came back at some point and said that cocaine was not actually that harmful after all, everyone who had been convicted of cocaine possession or distribution would be told, "It's okay. You can come out." Is that what he is suggesting?

Tom Brake: Fortunately, I am 101% certain that no one will come back and say that cocaine is harmless—if anything is certain in a drugs debate, it is that. All that I ask the hon. Gentleman to accept is that someone might think, perhaps quite rightly, that there is evidence that a herbal product is harmful, with the result that a temporary ban is imposed, but the product might

[Tom Brake]

subsequently prove not to be harmful. That is all that I am flagging up as an issue. All that I am saying is that we must make sure that the protocol is tough and ensures that such things do not happen.

Once the temporary ban has been imposed, what time scale would the Minister expect the advisory council to use in implementing the protocol? Would there be a maximum time frame in which a response would be required? Furthermore, will the advisory council have to take into account a balance-of-probabilities consideration at any point when determining whether something is harmful? Any clarity that the Minister could give us on that would be gratefully received.

The final issue that I want to mention is the impact of khat. The Home Office online report highlighted the concerns about khat. I do not know whether it referred to medical problems, but, interestingly, the most commonly cited social problems related more to

"tensions arising in response to a family member spending time and money"

on the product, than to any other consideration. Apparently, the link between the use of this particular herbal stimulant and offending was minimal. I would like to hear whether the Minister has more up-to-date information on the issue and whether the Department is considering it. I have certainly been lobbied by a local councillor who has concerns about the use of khat in their area. Will the Minister tell us, although perhaps not now, what progress is being made on the issue?

To conclude, we need to respond to legal, or soon-to-be illegal, highs, and I was happy to support the previous Government when they introduced the mephedrone ban. We need to be geared up to respond to these issues quickly, but I hope that we can also debate them more widely. In that way, we can make sure that whatever we do is the most effective way to tackle the crime and health consequences associated with drug use.

3.15 pm

Mr David Burrowes (Enfield, Southgate) (Con): I apologise for arriving late at this important debate. It is a pleasure to have my first opportunity to speak under your chairmanship, Mr Davies.

First, I want to acknowledge—this has probably been acknowledged before in one form or another—what a difference an election makes. In a short time, the Government have shown a firm lead on the issue of legal highs. Not so long ago—back in March—Professor Nutt, the former chairman of the ACMD, said of legal highs that

"it is virtually impossible to police the problem…the crime and justice side of things would get out of control. The police would spend their whole lives just arresting teenagers with mephedrone in their pockets".

That defeatist attitude has been kicked into touch by a very sensible approach to mephedrone.

John Woodcock: Will the hon. Gentleman give way?

Mr Burrowes: In a moment. I concede that the previous Government eventually took action in relation to mephedrone on 17 April, but that was too little, too late.

John Woodcock: I am glad that the hon. Gentleman made some concession after I signalled that I wanted to intervene. If he wants to make partisan points, he needs to do slightly better. I hope that he agrees that this is a really difficult problem. We should welcome the fact that the previous Government acted very quickly in dealing with the difficult advice that it got from the advisory council, just as we welcome the fact that the new Government are taking further action.

Mr Burrowes: I thank the hon. Gentleman for that intervention. If he gives me the opportunity, I will reflect on the fact that it is not straightforward properly to legislate and carry out enforcement in this area. Nevertheless, we must recognise that by the time mephedrone was finally banned on 17 April, it was estimated to be the UK's fourth most popular club drug and was used quite broadly, rather than by just a stereotypical demographic. It was sold by a new type of dealer. London was the world's mephedrone capital and host to 53% of worldwide outlets. Mephedrone was implicated in 18 deaths in England and seven in Scotland. Given those figures, I repeat that the ban came too late.

None the less, I welcome the steps taken by the previous Government to ban mephedrone, and I welcome those taken by the coalition Government properly to put in place ways to help us to act quickly to tackle legal high drugs. The issue is that we should be able to move quickly to deal not just with mephedrone, but with the new drugs on the market. These drugs are readily accessible at the press of a mouse button, and they are coming on to the streets of the capital and the country. We need to look at how we can deal with the issue properly, and the Government have proposed ways to do that.

I want briefly to raise another issue. We must look overseas at the models that other countries are using to deal with the issue, which is obviously not just a domestic, but an international one. The context is the fact that when this country got to the point of banning mephedrone on 17 April, other countries, including European countries, did it more promptly. One need not go further than Ireland to see what is being done. I want to raise Ireland as an example, so that the Minister can take the opportunity to respond and consider whether its approach would be a way forward for this country.

On 11 May, Ireland's Minister for Health and Children announced an immediate criminal ban, publishing a full list of legal high substances that were subject to a Government order and that were to be banned, as well as a criminal ban on a list of head shop products, and the prosecution of head shops themselves. Is there an opportunity to consider that example or any other examples in this country? As well as trying to deal with the substances and the ready access to them, and being able to respond quickly, Ireland dealt with another source of concern—the head shops that were springing up as an industry. That was dealt with on 11 May by the measure I have referred to, which led to the Government approving a crackdown on the operation of head shops.

The Criminal Justice (Psychoactive Substances) Act 2010 will further curb the threats posed by head shops and psychoactive substances. Under the new provisions, the sale or supply of substances that may not be specifically proscribed under Ireland's Misuse of Drugs Act 1977, but which have psychoactive effects, would be a criminal

offence. That is a much wider use of legislation to deal with new psychoactive substances coming on to the market, and will make it possible in Ireland to avoid the prolonged processes that we may well still be subject to. It would allow flexibility of approach in dealing with, and the mounting of prosecutions in relation to, the new psychoactive substances that are coming on to the market and causing such damage, particularly to young people.

I do not suggest that the Minister will be able to give a full response to that example, but it is worthy of consideration, not least because it comes from near neighbours with issues similar to ours. We may be able to learn from their example.

3.22 pm

Mr Alan Campbell (Tynemouth) (Lab): I welcome you to your role as Chairman, Mr Davies, particularly as this is your first debate in that role. I can imagine that the Minister's heart sank when he saw you coming into the Chamber, given your robust and independent manner. When you sat in the Chair he probably relaxed slightly.

I was not going to respond to the hon. Member for Enfield, Southgate (Mr Burrowes), but I shall briefly say that I hope he will reflect on the opening comments of his short speech, because he is usually a thoughtful contributor to debates. To start by saying what a difference an election makes and then completely to misunderstand the history of the issue did not do him any credit on this occasion, unusually. That is not least because Professor Nutt's disagreement was with the previous Government, not the current Government—I do not know his views on the current Government's drugs policy—but the Minister was gracious enough in his opening remarks at least to allude to the continuity that is important in these matters. I was grateful for the support that his party in opposition offered on the important matter of drugs and legal highs. We had our disagreements but I think there was much more support than difference. I hope that we shall be able to offer the Minister that degree of support. Perhaps if the hon. Member for Enfield, Southgate had been here for the opening remarks he would not have said what he said.

The debate is timely and has allowed the Minister to build on his announcement of last month about legal highs. He has set out the programme by which the Government want to tackle the issue, and, as I have said, we want to be as supportive as we can be. I share the nervousness of my hon. Friend the Member for Barrow and Furness (John Woodcock) about continually using the term "legal high", but I suppose they are legal until they are not legal. I hope that someone can come up with a new term, but that is not the real point, which is how to tackle the emerging problem quickly enough to avoid the harm that in some cases is already being done, particularly to young people. The Minister knows that we share the Government's concern about legal highs. We also share their broad approach, including in relation to consultation. If it is built on the pillars of preventing drug taking, disrupting supply, strengthening enforcement and promoting drug treatment there is a lot that we can agree with.

There is common cause in tackling legal highs not just because it is the right thing to do but because the previous Government began that journey, in relation to spice, GBL and mephedrone. I am grateful for the update from the Minister on how he sees that ban working out. I was encouraged by his remarks and look forward to hearing more. He knows, although there was an election in between, that we supported the Government with respect to naphyrone when they brought forward a ban in July. I am pleased that the generic approach is continuing, because that is the right one. It prevents manufacturers from tweaking compounds to try to stay ahead of any ban, and, in the words of the chair of the ACMD, it permits a systematic approach. That is important and I am reassured by the Minister's assurance that it will continue.

I want to talk about the temporary ban, which has been the subject of comment in the debate. It is true that the introduction of a temporary ban would be a new development, but it is not an entirely new idea in discussions in this country, and it is part of the law in other countries. It may have the potential to make a real difference, not least in combating the frustration that is particularly acute among the families and friends of people who are victims of the relevant substances. I shall examine the temporary ban provisions, and we want to be as supportive as we can.

The Minister mentioned the importance of the press and other media, which is a double-edged sword, in my experience. The media can get involved when a substance such as Ivory Wave emerges, and give it publicity. They can campaign, as has happened in the past with some substances that we went on to ban, and can play an important part. The downside is that the media reaction is often to call for a very quick, if not instantaneous, response, without really understanding the need for evidence, and sometimes without even having the facts about what has happened to victims. If that provokes a knee-jerk reaction—that may be a danger with the temporary ban, if we are not careful—that will not be a good basis for drugs policy. We must be aware of that, but I know that the Minister does not operate in a media vacuum, and he will know from the trawl that his staff do through the newspapers and other media every day how those campaigns can take off.

As the Minister has said—I am grateful for the reassurance that there will be a degree of continuity in the way the issues are considered—it is important that the advisory council should be given time to examine the scientific and medical evidence for the harm that a drug might do, and then report to the Home Secretary, who would have time for due consideration. The problem with that approach, as we discovered, is that it takes too long and we get to the issues too late, as the hon. Member for Enfield, Southgate suggested, although not in a particularly helpful way. We knew about the need to act swiftly, and tried to do so. The new Government followed, in the case of naphyrone, and used a similar agreement to obtain the change in the law that we recognised was important. The matter will go further because, as I understand matters, the temporary ban will be a 12-month ban on imports, pending final advice from the advisory council. I want to ask in passing why the method that I think the Minister used, and which we certainly used for mephedrone, is not sufficient. That is, using the open general licensing system so that the existing legislation can be used. I think that I know the answer to that, but I should be grateful if the Minister could tell me.

[Mr Alan Campbell]

The Government and various commentators have pointed to other countries that have temporary bans in place. Perhaps the Minister will help the debate by writing to hon. Members and listing those countries that have temporary bans and detailing the substances that are subject to those bans. New Zealand is the country most often mentioned but as far as I am concerned—this point was picked up by Professor Iversen in his comments to the Select Committee—New Zealand currently has no substances in the holding pen, or in class D or class X, or whatever one wants to call it. If his officials are looking again at practices in New Zealand, the Minister might also wish to look at the term "harm reduction," which occurs more in New Zealand's drug policy than in ours, particularly with reference to treatment. Perhaps it is possible to learn from that.

I would like to pick up on the point made by the hon. Member for Carshalton and Wallington (Tom Brake) and by my hon. Friend the Member for Barrow and Furness about what would happen if a substance were banned temporarily but then the ACMD—unusually, as this is unlikely—recommended that it did not need to be banned because it was not harmful. Would the Government be subject to a legal challenge from businesses that had not been able to import those substances? The issue might come back later. Those substances are not illegal—that is the whole point. Returning to the analogy with cocaine, we cannot say, "Well, those substances were illegal." As I understand it, those substances would not be illegal because the legislation would not have been passed.

As hon. Members know, GBL was extremely dangerous, which is why it was banned. However, it contains a chemical that is used in hundreds and thousands of household and industrial products. If a substance such as that was the subject of a temporary ban, but then found not to be harmful, I shiver at the thought of what businesses might do. The Government must be aware of that—I am sure that they are—and they must have a defence in place when they present the evidence. What if the ACMD came to a different conclusion and the Government were left with a bill?

As I understand it, a breach of a temporary ban could mean jail sentence of up to 14 years and/or an unlimited fine for suppliers and manufacturers of a substance. If I remember rightly, that equates to the sentence for the supply of a class B drug. A legal high could find itself in that category, but there is no offence of possession. If the same substance was a class B drug and it was found in someone's possession, there would be severe penalties. However, we are told that if someone possesses a substance that might end up as a class B drug, they would not be subject to those penalties even if there were a ban on possession. As I understand it, New Zealand has not gone down that route but there is an amnesty. After a six-month period, if someone is caught with a drug that has been temporarily banned, they are subject to the full force of the law under which possession is an offence. We must be careful with that issue.

To some extent, I agree with the Minister when he says that we do not want to criminalise young people That was not our intention, and it is not the intention of the present Government. However, in going down that route, any Government will be in danger of sending out a mixed message and in relying entirely on the health reasons for why certain substances should not be taken, rather than having the back-up of the law and the penalties that come with that. There is an element of that in the way that many drugs policies are enacted on our street; agencies do not automatically go out of their way to criminalise young people as there are warnings and other things that they can use.

The Minister's comments from 19 August have been seized on, even today, by some in the media and some bloggers—including some in the legal profession who should, quite frankly, know better—to say that that was the first step towards the legalisation of drugs for personal use. The Minister shakes his head, but I mention that so that in his concluding speech he can reassure me that that is not the case. The next step taken by the bloggers was to claim that they knew who was behind the policy, because the Prime Minister and the Deputy Prime Minister—and, we learn today, the hon. Member for Carshalton and Wallington—appear from their comments to have some sympathy with that view.

The hon. Gentleman accused me of wanting to say that the Liberal Democrats are soft on crime. I am not going to say that—this is probably the first occasion on which I will not say that. However, I would like a reassurance from the Minister that the coalition Government are not going soft on drugs. I do not think that they are, but I will give him the opportunity to reassure people. The subject is open to misinterpretation. When the Minister's officials are found to have taken a particular interest in Portugal, which the hon. Member for Carshalton and Wallington picked up on, that raises the question of whether we are heading along a route towards the legalisation of drugs.

Tom Brake: Let me inform the hon. Gentleman that members of the Home Affairs Committee went to Portugal and Spain and therefore have first-hand evidence of what has been done there. I seek reassurance that when sound, factual evidence is produced to show what is effective in tackling drug crime and addressing health issues, the hon. Gentleman will sign up to that.

Mr Campbell: I cannot give the hon. Gentleman the assurance he seeks because he is sending me along a route he knows I cannot go down. There is a great deal of evidence that if we both studied this issue, he would reach one conclusion and I would reach another. The Government are looking around for all sorts of ideas from elsewhere—they are not the first Government to do that; all Governments do it. We are getting our schools policy from Sweden, although I gather that we are not getting our drugs policy from Portugal. It is no bad thing to learn lessons from abroad, but we need a drugs policy for this country that reflects the evidence and takes into account the views of the public. The hon. Gentleman's view about public opinion on this matter is different from what I believe to be the case, yet we look at the same evidence. I cannot give him the commitment he asks for, but I support his call for a mature debate on drugs policy. That is what the consultation will do. However, if he thinks we have had an immature debate on drugs policy today, I disagree with him.

Tom Brake: Will the hon. Gentleman go on the record and confirm that if a policy is backed by clear, evidence-based research that shows the most effective

way of tackling drugs to be something that the public do not support, he will back the public rather than scientific fact?

Mr Campbell: Politicians always think that they back the public because they hope the public will back them. The hon. Gentleman misses my point—perhaps I am not explaining it sufficiently to him. We can take the evidence, but we must also take into account what the public think about such matters. There is an argument to say that scientific evidence alone can be collected on the harm that a drug would do to someone's health, and that the judgment can be made entirely from that. However, that is not the basis on which the advisory council is set up. Other factors must be taken into account, not least the attitude of the public, which I hope is informed by the evidence, as the hon. Gentleman suggests it will be. I hope we will get to that position. He and I disagree on this matter, as he believes the public to be in one place and I think they are somewhere else. The Government must be absolutely clear—the Minister has the opportunity to do this in his winding-up speech—and ensure that what is being suggested about legal highs is not open to misinterpretation, and that we are still following a tough approach that the Labour party will be pleased to support.

In reality, anyone can make an economic case for the legalisation of drugs. That is dead easy. Look at how much it costs to enforce drug legislation. Anyone can make that case even if they are amateurs at economics. However, if anyone believes for one minute that freer access to drugs will not lead to more drug abuse, they are mistaken. If anyone thinks for one minute, looking at the crime implications, that if drugs were legalised, drug traffickers would give up crime, they are mistaken, because the people who traffic drugs are criminals and will traffic whatever they can to make some cash out of it, whether it is people, substances or anything else, so we need to be very careful before we go down that route.

I want to say something about the practical aspects of the policy. My hon. Friend the Member for Barrow and Furness picked up on some of those points. The Minister mentioned trading standards. I know that if he has a similar portfolio to the one I had, he could give a different priority to trading standards every day of the week. Monday it could be alcohol sales; Tuesday it could be knife sales; and Wednesday it could be legal highs. That is not to diminish the importance of legal highs, but it says something about trading standards, which too often are the Cinderella services in councils. They are not the ones that are financed enough to do all these things, and if councils are facing the sort of cuts in their budgets that we have heard about, the Government must be absolutely clear that they are not offering anything, in combating legal highs, that will be delivered on the ground, because the people are not there.

The Minister talked, at least in the press releases that went out on this issue, about the shipments and importation of drugs, including legal highs, and he mentioned the importance of officers who work abroad, SOCA and others. I have seen them in the field, doing the work that they do, and I pay tribute to their work, because they are among the bravest people I have ever met. They often operate in very difficult circumstances. The hon. Gentleman reaffirmed the importance of starting our drugs policy not at our borders, but somewhere else in the world. That is very important, particularly at times when money is tight.

However, it is the internet that is very important when it comes to the buying and selling of legal highs. It is not a criticism of this Minister, because he knows more about tackling crime on the internet than most people, to say that Governments, by and large, are behind the curve on that. It is really difficult stuff. It is very difficult to work out how we tackle crime on the internet in the way that we can tackle crime in the real world, but it is very important that we do that.

Even if we can identify the suppliers, it is extremely difficult sometimes to find out what the substance is. The Minister talked about the problems with Ivory Wave. The situation was the same with mephedrone and other things. Forensic investigation is required; and more often than not, the cost of forensic investigation comes out of police budgets. Again, therefore, we must ensure that the Home Office is fighting its corner to make sure that the forensics budget is there for the police and, of course, that there are sufficient police officers to make it effective on the ground where it matters.

Communications is very important, but communications budgets in Departments are precisely the ones that the Government are examining to see what savings can be made. If that budget is under pressure in the Home Office, I say to the Minister—although he already knows—that FRANK is very good but it is not enough. There must be a communications budget that goes beyond the FRANK website. Again, this is about fighting the corner to ensure that when there is a campaign, for students or anyone else, it is financed and financeable; otherwise we offer something that we cannot deliver.

When the Under-Secretary of State for the Home Department, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), introduced the ban on naphyrone, she was unable to say how much that ban would cost. To some extent, she got away with that at the time, because we were keen to ensure that the ban was in place, but it is a fair question: how much will the ban cost?

This Minister said—I support him in this—that the proceeds of crime, the assets of drug traffickers, should be targeted in tackling the problem. I agree, but we know how difficult it is to get at assets, particularly from drug traffickers, because they can hire the best lawyers as well as stashing those assets away in the names of friends and family. Targeting the proceeds of crime and seizing assets should be happening anyway. That is precisely what the assets legislation is in place for.

The Minister also knows—I imagine that he still has responsibility for proceeds of crime—that there is much debate about who gets the proceeds of crime. The Home Office used to get the first 50% and the rest was shared between the police and other agencies. If money is to be diverted into tackling drugs, which I think is a great reason for doing it, then unless more money is guaranteed, someone will get less. People have to be absolutely clear that they can deliver on that.

I have spoken for longer than I thought I would, but we have had a useful exchange of views—I hope so, anyway. My final point is this. I have had long discussions

[Mr Alan Campbell]

with my hon. Friend the Member for Gedling (Vernon Coaker), who was not only a well-respected drugs Minister but a very distinguished teacher. We talked at length about drug education, and I agree with the Minister: I think that drug education is very important. Many schools do have drug education and much of it is very good, but the question that we need to ask is whether it is effective. Is it actually, given the money that goes in—I am not advocating cutting it—effective? Is the money that goes in effective? I ask that because of the very bright and intelligent young people who have their lives ahead of them, who have huge potential, who have had drug education at school, who have gone to music festivals and stood in nightclub queues and been given information and who have got the message about the risk to their health, but who still take these substances. They put their health at risk and, in some cases, there are tragic consequences. They use legal highs alone. They mix them with other legal highs and other drugs. Sometimes they mix them with alcohol. As a Member of Parliament and as a parent, I am concerned. Why, when young people know the risks, do they still do that? If we can find the answer to that question, we will not spend quite as much time in this place talking about bans and legislation.

3.46 pm

James Brokenshire: We have had a good, wide-ranging debate about legal highs. Various hon. Members highlighted the fact that even using that terminology brings about a misconception. To take the last point from the shadow Minister, the hon. Member for Tynemouth (Mr Campbell), about why people take drugs, including legal highs, when they know the risks, I think that that is part of the problem—they do not know the risks. The fact that something is branded as a legal high implies that it is safe. Therein lies part of the challenge in relation to these newly emerging psychoactive substances—I agree that that does not trip off the tongue, either—that highlights the important need to ensure that the legislation is there as a mechanism for telegraphing clear messages about enforcement of the law and about safety.

I noted the hon. Gentleman's comments about mixed messages. I say to him very gently that his Government sent out very mixed messages about cannabis, so perhaps he is not in the strongest of positions from which to be pointing fingers about communicating messages.

Mr Alan Campbell: I just want to make a very personal point. The records show that in fact the very first time that the messages started getting mixed, it was not this Member of Parliament who supported that process.

James Brokenshire: I note the point that the hon. Gentleman has made, but clearly it was his Government who sent out some very mixed messages, even if he was not personally responsible for the decisions that underpinned them.

I want to cover as many as possible of the points raised during the debate, which has been helpful and constructive on the issues and challenges surrounding legal highs. It also touched on the drugs strategy from a broader perspective. I do not regard this as an opportunity for that broader debate, but it is important to recognise that the coalition Government are consulting on their new drugs strategy. We intend to publish the new drug strategy by the end of this year. Our strategic vision is set around the framework for the future delivery of drugs policy with four key themes, to which the hon. Gentleman has already alluded: preventing drug use; strengthening enforcement, criminal justice and the legal framework; rebalancing treatment to support drug-free outcomes, which is an important point to emphasise; and supporting recovery to break the cycle of drug addiction.

The Government are opposed to the legalisation of drugs and to decriminalisation for personal use. It would run entirely counter to our health and education messages. In many respects, the equation of safety with legality, as we have been debating on the issue of legal highs, makes that a very direct construct. On the possession of legal highs, I say to the shadow Minister that the temporary ban is, as it suggests, intended to be only temporary—a maximum of 12 months. If advice supports the classification of a drug within that 12-month period, we would act within that period. It may therefore happen in less than 12 months, which would then create the possession offence. Our approach with the temporary ban is to act quickly to stop supply and prevent harm, which is why we have tailored it as we have. It does not send out mixed messages, due to legality—in its broadest sense—being equated with safety. We have seen that and seen how the classification of drugs can have an impact on whether someone perceives a drug to be safe. That goes back to my original point on the equation of safety and knowledge, which has been highlighted.

We do not support the legalisation of drugs. Many drugs such as heroin and crack cocaine are clearly addictive and harmful to health, and our educational message, to young people in particular, is that illegal drugs are harmful and no one should take them. To legalise their supply for personal consumption would send the wrong message to the majority of young people, who do not take drugs on a regular basis if at all, and, alongside that, it would increase the risk of drug use and abuse.

On the specific point about the Portuguese model, we are against that proposal. The Government are determined to prevent drug use and strengthen enforcement against supply, which is why we are asking experts for their views on a range of issues, so that users are strongly encouraged to address their dependency. That wider debate and consultation is taking place, but we are not looking at the Portuguese model, and do not think that it is the right way forward.

Tom Brake: The Minister says that he is not looking at the Portuguese model, but there were references in the press last week to the Government looking at the Portuguese and Spanish models. Were those press reports wrong?

James Brokenshire: I cannot comment on the countenance of reporting in *The Observer*, but I can send out a very clear message from this debate—the Government do not believe that decriminalisation is the right approach. Our priorities are clear. We want to reduce drug use, crack down on drug-related crime and disorder, and help addicts come off drugs for good. That is the emphasis of Government policy.

I would like to come on to the specific points that have been raised, and, in particular, the important point raised by the hon. Member for Barrow and Furness (John Woodcock) on the Medicines Act. The Act applies to medicinal products, so we need to establish certain key components—in other words, that a substance has psychoactive properties and is potentially meant for human consumption. That is where those who have sought to subvert the law through using certain phraseology in their advertisements have sought to obviate medicines control legislation.

I assure the hon. Gentleman that we remain in close contact with the Department of Health, as well as trading standards, to see how we can use the Medicines Act more effectively and to explore those options. I agree with him that it is absurd that products can be marketed as bath salts and other things, and are "not for human consumption", when implicitly they may be intended to be so used, or there is recklessness. We are carefully exploring this area to see what enforcement options exist.

The points about the protocol and triggers are important. The purpose of the working protocol is to set out our engagement with the ACMD, and, through it, any legal controls on dealing with legal highs would be enacted. I am in close consultation with the ACMD to develop that working protocol, because it is important to give reassurance that the temporary banning power is appropriate. As I said to the hon. Member for Carshalton and Wallington (Tom Brake), the Government remain committed to the general response to the drugs being based on the existing framework under the Misuse of Drugs Act and on how the ACMD normally operates. Clarity over the protocol and the triggers, and setting it out in the working protocol with the ACMD are important to give reassurance on how we would use the temporary banning power.

Tom Brake: The Minister may be about to come on to this, but when does he expect the temporary ban to kick in after a product such as Ivory Wave suddenly hits the market? Obviously he cannot give us an exact response. What time scale are we talking about?

James Brokenshire: It is difficult to second-guess the issue or look into a crystal ball. We are in close consultation with the ACMD on the development of the working protocol, which I would not wish to pre-empt. In all the discussions I have had with the ACMD, it is clear that if a newly emerging psychoactive substance is identified, the intention is that advice would be sought on the associated harms. We would seek its advice on whether a temporary ban would be appropriate, so it is about working around that and the identification. Hon. Members also made points about the early warning system, and working with the ACMD on that and picking up things early enough to deal with appropriately.

Mr Alan Campbell: I am genuinely confused, but I am sure that the Minister can put my mind at rest. If a substance is subject to a temporary ban, why is it illegal to import or supply it, with fairly draconian penalties, but not illegal to possess it?

James Brokenshire: I thought I had already explained the position. I am sorry if I have not made it clear. The emphasis behind the policy is about ensuring that we stop the supply, importation and sale of the drugs and about ensuring that we can act quickly to deal with some of the challenges that I know the shadow Minister faced in Government over mephedrone. Perhaps I share his frustration at being told by the ACMD that there was a problematic psychoactive substance and feeling that one is unable to respond. There are certainly issues; he highlighted importation issues and the general licence that could be invoked, but that does not tackle domestic supply. To ensure that drugs do not get on to the streets and into the hands of young people, it is important to deal with the problem at the border and in this country. That is why we believe that the temporary ban approach is the right way forward when a newly emerging psychoactive substance that has been indentified as harmful comes through.

I would like to address the issue of whether a newly emerging substance has other uses. It is fair to make that point, and the Government will seek parallel advice from the Department for Business, Innovation and Skills on a drug's legitimate use and will develop any required impact assessment, which will inform the decision on whether to impose a temporary ban on that drug. In the event that a legitimate commercial use is identified in discussions with the Department for Business, Innovation and Skills, the Home Office will take reasonable steps in the light of the ACMD's advice on the risk to public health when a substance is misused, to ensure its continued availability for legitimate use under the temporary ban and, subject to further consideration, under circumstances in which that ban is made permanent. There are examples showing how that approach could be taken. It is important to recognise that point, and advice will be sought from the Department for Business, Innovation and Skills and the ACMD in relation to the application of those powers.

My hon. Friend the Member for Enfield, Southgate (Mr Burrowes) raised the issue of what other countries are doing, and gave the specific example of Ireland. I am aware of the changes that are taking place there and of the fact that the Irish are considering a broader definition of drugs. We can look, too, at the example of the United States and the analogue legislation that is in operation there. The Advisory Council on the Misuse of Drugs is considering the broad policy issues and the various different examples. Although I cannot comment on whether it is looking at the Irish situation, it is doing broader work on legal highs. We await its report on appropriate approaches, which may take into account factors such as a broader definition. I do not want to prejudge or pre-empt the work of the ACMD, but we appreciate the work that it is doing, and look forward to its response. Certainly, we are considering a proportionate response based on the tenets of harm before imposing criminal penalties.

The hon. Member for Tynemouth asked whether other EU countries had taken different approaches on temporary bans. The experience is that those countries have tended to take a very narrow perspective on the utilisation of temporary banning powers. Spice was one of the cases in point. In this country, we have sought to take a more generic approach to a class of drugs, so that we avoid the issue of tweaking and slight chemical manipulation. The temporary bans and the immediate action that were taken in some other EU countries were much more narrowly focused, so we are not comparing

[James Brokenshire]

like with like in that regard. The approach that we hope to take is very much looking at that broader categorisation rather that at one specific drug alone, without necessarily considering the anologies that may exist alongside all of that. That is very much part and parcel of the work that we would adopt.

I have a couple of things to mention in relation to the New Zealand case. I am advised that its class D is currently empty, but that could be a reflection of the fact that New Zealand has not had to respond to legal highs in the way in which the United Kingdom has. It is difficult to make cross-over judgments. Moreover, the class D model envisages a regulated supply as well, which is not the approach that the UK seeks to adopt.

The hon. Member for Carshalton and Wallington highlighted the issue of khat. The Government acknowledge the concern in communities affected by khat use, particularly in relation to the social problems, which include unemployment, family breakdown and financial hardship. We are committed to addressing any form of substance misuse and will keep the issue under close scrutiny. Home Office research into the social harms of khat use, as well as the treatment needs of users, was commissioned last year by the previous Government, and it looked at a number of communities and areas in England and Wales. We are quality-assuring the work and will produce an independent review of the findings, as is standard practice with all Home Office research reports. We will publish those reports later this year and consider them carefully.

This has been a positive and productive discussion on a sensitive issue that has impacted on far too many communities. Reflecting on conversations with parents of children who have been adversely affected by drugs and with those who have lost very close loved ones, I can say that they underline the importance that we must place on addressing the harms linked to these so-called highs. It is incumbent on us to continue to send out the message that simply because something is marketed as legal does not neeessarily mean that it is legal, and above all it certainly does not mean that it is safe.

Question put and agreed to.

4.5 pm

Sitting adjourned.

Westminster Hall

Tuesday 14 September 2010

[KATY CLARK *in the Chair*]

Low-income Households

Motion made, and Question proposed, That the sitting be now adjourned.—*(Mr Newmark.)*

9.30 am

Ms Karen Buck (Westminster North) (Lab): I am grateful for the opportunity to hold this debate because, over the recess, a number of studies and reports have emerged that have analysed and cast doubt on some of the central claims of the coalition Government in respect of the impact of the Budget and the differential impact that the comprehensive spending review will have on the lowest-income households. All claims about the June Budget being progressive are now being dismantled, and the theme that the pain will be shared is proving to be clearly inaccurate. The refrain has been "We're all in this together," and that has been explicitly stated by the Chancellor of the Exchequer. The claim that the measures in the June Budget are progressive has been widely echoed by Government Members, yet that is clearly not the case. In challenging that assertion and asking further questions of the Minister, I am hoping that the Government will, even at this late stage, see sense and acknowledge the dangers that are implicit in a number of their proposals.

I will draw heavily on the analysis carried out by Institute of Fiscal Studies, which has been challenged by defensive Ministers, and I look forward to hearing what the Minister has to say this morning. It would be wise for Ministers not to rubbish the IFS conclusions too rapidly, not least because they extensively used such research when they were in opposition. When the Chancellor was in opposition, he did not hesitate to summon IFS statistics to his aid when he was participating in pre-election economy debates, and the Conservative party policy document, "Labour's Two Nations", published in 2010, favourably quoted IFS research in its attack on Labour's record on poverty, so what is sauce for the goose must surely be sauce for the gander.

Before talking a little about the content of the IFS critique of Government policy, I want to spend a moment or two challenging the two myths that are repeated so frequently: that Labour's record on inequality was a failure and demonstrated the inability of the Labour Government to put forward progressive measures; and that the Labour Government failed to tackle the reform agenda, and particularly welfare reform.

Mr Mark Field (Cities of London and Westminster) (Con): On that latter assertion, I am sure that the hon. Lady has avidly read the books of Lord Mandelson and the erstwhile Prime Minister, Tony Blair; it is fair to point out that both would stand up and say that the reform agenda did not go through in the way in which they envisaged, and that there was insufficient planning in the run-up to May 1997 to enable them to succeed in making the reforms to the welfare system that were required. I am not suggesting for one minute that such decisions are easy. I am sure that the coalition Government will face some significant problems in the years to come, despite the quite significant long-term planning that took place in the run-up to 201. That planning is in great contrast to what happened when there was an incoming Labour Government 13 years ago.

Ms Buck: I am grateful to the hon. Gentleman for his comments. I will not shy away from it: there was internal debate within the Labour party, both in the run-up to 1997 and subsequently, on what reform agenda was needed and how it would be carried forward. As can be traced through numerous speeches in Parliament and elsewhere, I was not always in agreement with the priorities of either Tony Blair or Peter Mandelson. It is historically inaccurate to claim that the welfare state was not subject to significant reform throughout the 13-year period. One of the earliest, and fairly controversial, proposals was on incapacity benefits; it was voted on in 1998. The first clash that took place after the 1997 Government were elected was over lone-parent benefits. Housing benefit was subject to a number of changes. My hon. Friend the Member for Bishop Auckland (Helen Goodman), who was a Minister at the time, will confirm that I beat a path to her door to exercise my concerns about what the Labour Government were proposing on housing benefit reforms, which I felt then and feel now were wrong, but which have been picked up on and exaggerated by the Government.

On the more positive side, the whole tax credits agenda was clearly designed and had an impact on work incentives. The idea that there was no reform agenda is complete nonsense. The reason why welfare reform, particularly in relation to work incentives, has not satisfied the incoming Government is that it is extremely difficult to achieve reform that both makes it easier to work and does not increase poverty. Clearly the new Government have come down on one side of that equation. The simple facts are that inequality soared under previous Conservative Governments. As measured by the Gini coefficient—I do not think that we can argue against this—there was a very sharp upward curve on inequality throughout the mid to late 1980s; it levelled off a little during the 1990s. During the first two terms of the Labour Government, real progress was made on turning the curve down again. Levels of inequality flattened out and then turned up again in the last term of the Labour Government, not least—but not solely—because of the impact of the financial crisis.

In its pre-election briefing, the IFS said:

> "The tax and benefit measures implemented by Labour since 1997 have increased the incomes of poorer households and reduced those of richer ones, largely halting the rapid rise in income inequality we saw under the Conservatives."

Bob Russell (Colchester) (LD): Will the hon. Lady confirm that the gap between rich and poor is greater in 2010 than it was in 1997?

Ms Buck: I will not make a similar error to that being made by the Conservatives. I will not say that absolutely everything that the Labour Government did was perfect, and that they achieved every single goal and target that they set for themselves, whether on child poverty or on reducing income inequality; they did not. However, it is also nonsense to use the hon. Gentleman's line to make the case that the Labour Government's investments,

[Ms Buck]

whether in employment growth or in tax and benefit changes, did not slow down and flatten out the rapid rise in inequality that took place throughout the 1980s and into the 1990s. That would be to claim that all the investment in tax credits, increased child benefit and the national child care strategy failed, and it absolutely, clearly and demonstrably did not.

Mr Mark Field: Does this exchange not sum up the big problem in trying to assess equality or inequality? The question is whether we consider the matter in an absolute or in a relative sense. As we represent neighbouring constituencies, the hon. Lady will know that one of the effects of globalisation and the huge wealth that has come from the financial services industry in Britain over the past 20 years is that relative inequality has increased. The huge wealth of certain people in our constituencies—whether in St John's Wood, Mayfair or Belgravia—is clear. That is not to get away from the idea that some progress was made under her Government, and I am sure that the same will be true under the coalition Government. The most vulnerable will be looked after and we will ensure that absolute levels of inequality are at the forefront of our minds.

Katy Clark (in the Chair): Order. I remind hon. Members that interventions must be short.

Ms Buck: I am not sure whether it is possible to have an absolute measure of inequality. Inequality is, almost by definition, a relative indicator. I am glad that the hon. Gentleman accepts the fact that we made progress in levelling out soaring inequality. Interestingly—he makes this point—we are talking about a global context of widening inequalities.

We are in a highly globalised economy, with fabulous increases in wealth and income at the top levels; that is very well demonstrated in the City of London in the hon. Gentleman's constituency. The fact that, even against that backdrop, the Labour Government were able to level out inequality, broadly, after the soaring increase in inequality that we saw in the 1980s, was an extraordinary achievement. Then, on top of that achievement—as he rightly says, there is a difference between relative inequality and poverty—the Labour Government were also able to make real progress, particularly in their first two and a half terms in office, in tackling child poverty, and even more progress in tackling pensioner poverty.

However, the Labour Government's record is not faultless, by any stretch of the imagination, and I am not here to claim that it is. Nevertheless, that does not make it any better for the coalition Government falsely to claim that there was no reform agenda, falsely to exaggerate the impact on levels of inequality between 1997 and 2010, or inaccurately to compare Labour's record with that of previous Governments before coming out with a set of proposals that are absolutely guaranteed to make the situation dramatically worse.

Clearly, that set of proposals by the Government is the central point of this debate, because the claims that the Budget of June 2010 was progressive have been completely demolished by the IFS, and that was even before last week's announcement that an additional £4 billion will be cut from the welfare budget. As the IFS states:

"researchers have previously cast doubt on this claim"—

the claim that the June Budget was progressive—

"noting that the main measures which will lead to losses amongst better-off households were announced by the previous government".

They were announced by Labour, but they have subsequently been rolled into the coalition Government's claims. The IFS says that new research that it published two weeks ago shows that the changes

are clearly regressive as, on average, they hit the poorest households more…in cash, let alone percentage, terms".

Those who lose the least are households of working age without children in the upper half of income distribution; those who lose most are low-income households, usually with children.

I will quickly outline the key measures that will have that impact: the move to update benefits and tax credits by the consumer prices index instead of basing inflation rates on the retail prices index; a reduction in Government spending of £5.8 billion a year by 2014; cuts in the value of housing benefit for some, which will amount to a reduction of £1.8 billion a year; cuts to tax credits for low-income families—something that was flatly and explicitly denied by the Chancellor when he was the shadow Chancellor and other coalition politicians before June, and certainly before the election—and the rise in the tax threshold, which will be of little benefit to low-income families in rented accommodation, as the extra net income will result in reduced housing benefit. Those are just some of the cuts; there are many more specific cuts that will apply particularly to the poorest.

Given the criticism that was aimed at the Labour Government's policies as they affected work incentives, it is worth reminding ourselves that, extraordinarily, the June Budget increased rather than decreased the proportion of earners facing high marginal levels of deduction. That is one of the most extraordinary and hypocritical things that has emerged from the coalition Government since May. The more aggressive mean-testing of tax credits will raise the marginal rates of deduction for all recipients with incomes above £6,420. The number of people affected by MRDs above 70% will increase from 700,000 to 2.2 million. How on earth can Ministers look themselves in the face, having said so much about the Labour Government's failure to improve work incentives for two-income households—if not for single-parent households—and then having allowed this change to happen?

Furthermore, despite the massive investment in tax credits and other in-work benefits that the Labour Government made, we should reflect on the fact that yesterday's report by the Institute for Public Policy Research is just the latest to confirm a large and growing problem of in-work poverty. Wage levels, sometimes—but not always—in conjunction with a sufficiency of working hours, are simply not able to carry the burden of the idea that work is always the best route out of poverty. Without improvements in pay—such improvements are my preferred strategy—and without extra work potential and even better in-work benefits, this situation will not improve and indeed may worsen.

Worryingly, that was also confirmed by an Office for Budget Responsibility document that looked at the prospects for economic recovery. That document stated

that, in the view of the OBR, one of the ways that business will reduce its costs as it enters recovery will be not by shedding more jobs—in itself, that is good news—but by maintaining a downward pressure on hourly rates of pay. So, unless we do something about the way that work incentives are supported through tax credits and benefits, we are likely to see even more in-work poverty. Of course, that not only is bad in itself, because it traps people in poverty, but sends out a message that is precisely the opposite of what everybody from all parts of the House claims to support—a message that we in Labour genuinely believe in. That is the message that we do not want worklessness and that we want people to enter employment. However, that work must be made to pay.

I am sure that others will want to talk about the specific tax and benefit changes announced by the Government, and I will not go into great detail about all of those changes. However, I want to say a little more about the issues of employment support allowance and incapacity benefit. After the June Budget, cuts of £4 billion, including the £2.5 billion cuts from ESA, were bounced on to the Department for Work and Pensions last week; that was something of a surprise, not least to the Department. Yesterday, following the statement made by the hon. Member for Colchester (Bob Russell), my right hon. Friend the Member for Normanton, Pontefract and Castleford (Yvette Cooper), the shadow Secretary of State for Work and Pensions, sought clarification on whether the savings will affect only those people whom the Government have already assessed through the work capability assessment and found not fit for work. She was unable to get an answer from Ministers yesterday, and I wonder if the Minister who is here today can confirm where those proposed savings of £2.5 billion are coming from.

Will there be a reduction in benefit for people who have already been assessed and who have failed the work capability assessment? Can the Minister also confirm that the £2.5 billion of savings come on top of savings already built into Treasury plans, based on the anticipated results of work capability assessments? About two thirds of people who have already been tested have been found fit to work. In addition, can she confirm that, if these cuts are made uniformly, each claimant will lose an average of about £1,000 a year?

Furthermore, has the Minister had a chance to reflect on the report by the Public Accounts Committee yesterday that showed that private providers of the work directions programme have managed to reach only about a third of their targets in placing people in work? That casts real doubt on the validity of a further aggressive reduction in the provision made for people who are classified as long-term sick or disabled and their ability to enter employment.

The Minister will also not be surprised to know that one of my deepest concerns has been about housing benefit. Since the recess, new research from Shelter, for example, shows that the cuts in local housing allowance will cause a huge surge in homelessness. It is estimated that well in excess of 100,000 people are unable to negotiate cheaper rents, and they will either be evicted or forced to move. Providing temporary accommodation for all of those people is likely to cost the Government up to £120 million, cancelling out—as a minimum—a fifth of the savings that the Government are hoping to achieve. Has the Department for Work and Pensions, in partnership with the Department for Communities and Local Government, been able so far to carry out a proper analysis of what the impact on homelessness will be of the cuts in the LHA?

In relation to housing benefit cuts and non-dependant deductions, can the Minister confirm that the unfreezing of non-dependant deductions also applies to council tax benefit? That would affect many low-income home owners and many pensioners. Has her Department carried out an analysis of the breakdown by age group and tenure of the number of people who will be affected by the unfreezing of non-dependant deductions and, if so, what is the average saving per household of that measure?

I could spend a great deal more time working through a number of these specific proposals and setting out the harshness of their impact on low-income groups, but I will let others speak. I will just finish with a couple of sentences on the issue of public services and how they represent benefits in kind. Although I have been focusing primarily on the June Budget, the CSR is likely to have exactly the same differential impact on low-income groups, particularly with its focus on reductions in public services.

The annual analysis by the Office for National Statistics, entitled "The effects of taxes and benefits on household incomes", provides a vitally important piece of analysis, looking at the value of different services by quintile groups. The value of spending on health, education, transport, housing and school meals is not evenly distributed across income groups but, with the exception of transport expenditure, disproportionately benefits poorer households. Again, housing investment is especially pro-poor, benefiting the bottom quintile 15 times more than the top. A 25% reduction in the housing budget will add 300,000 people to housing waiting lists; a 40% reduction will add 500,000.

I am sure that the Minister will know from her constituency work—although the problem is not, I suspect, on the scale of that in my constituency and that of the hon. Member for Cities of London and Westminster (Mr Field)—what it is like to have constituents who are trapped in grossly overcrowded, substandard or temporary accommodation and who are unable to work due to high rents. They may be trapped at home in extremely difficult circumstances. The average age at which a young person in London will be able to afford their first home is now estimated to be 52. If we deliberately cut investment in housing, not only will it make the situation worse; as the Office for National Statistics clearly confirms, it will affect the poorest disproportionately. According to the ONS analysis of benefits in kind, when all services are taken together, the bottom quintile receives 13 times more benefit than the top. An across-the-board reduction in service expenditure of 25% will therefore, by definition, disproportionately affect poorer households. That fact has not been teased out at all in discussions of the coalition's Budget.

The analysis by the Institute for Fiscal Studies, increasingly supplemented by work by Shelter, Citizens Advice, the TUC and many others, has driven a stake through the heart of Government claims that the coalition's tax and spending plans are fair or progressive. In fact, they will sharply increase inequality, weaken incentives to work, cause widespread misery and hardship and

[Ms Buck]

almost certainly increase pressure on non-discretionary expenditure such as that on homelessness. On 17 June, the Deputy Prime Minister said:

"it makes no moral sense to abandon poorer children along the way".

yet that is exactly what has happened. Unless the Government change course between now and the comprehensive spending review, both poverty and inequality in this country are likely to escalate.

9.52 am

Mr Mark Field (Cities of London and Westminster) (Con): I congratulate my constituency neighbour, the hon. Member for Westminster North (Ms Buck), on obtaining this important debate. I hope hon. Members will forgive me if I discuss issues affecting central London specifically and some of the alleviation that will take place in our local authority area. The hon. Lady is absolutely right to identify the key problem of in-work poverty. We often think of low-income households as consisting of people who are simply out of work, but in-work poverty is an important issue.

There are a range of issues that have not been dealt with over the past 20 years. Perhaps we can achieve little on some of them, such as the impact of unregulated immigration, over which we, as members of the European Union, have no control. I am not making an anti-European statement; that is simply a fact. There is no doubt that with the growth of the EU, immigration levels over the past six years have played an important part in driving down wages. Employers have perhaps been somewhat irresponsible in taking advantage of that, but it has and will continue to have a significant impact on welfare.

Understandably, the hon. Lady prayed in aid the high-profile report by the Institute for Fiscal Studies on the Budget, and its concerns about what will happen on 20 October. It is fair at least to argue that the outgoing Labour Government made it clear that they too would have had to do a lot to sort out the deficit. The erstwhile Chancellor of the Exchequer stated that their own Budget would have included £40 billion in cuts. None of those was specified, so it is slightly unfair for the hon. Lady to be accusatory, as she has not analysed where Labour's cuts would have come into play and what impact they would have had on the lowest-income households.

Ms Buck: I remind the hon. Gentleman of what I said in my comments. The IFS analysis says that the more progressive elements of the changes to tax and benefits, which the coalition Government now claim will balance out their other changes, were in fact among those proposed by the previous Chancellor of the Exchequer. The less progressive changes, which will hit lower-income groups disproportionately, are the ones introduced in the June Budget.

Mr Field: That is a fair point. To be absolutely honest, the core problem that we all face is a lack of any explicit mandate for anything that is being done on the issue. For we Conservative Members who have been warning about the deficit and levels of public debt for many years, at a time when conventional wisdom was that we would stick to the outgoing Government's spending plans, that is obviously a matter of some concern.

During the run-up to the general election, a spurious debate took place in which all parties danced on the head of a pin. Apparently, the necessity for £6 billion in cuts was a matter of Armageddon on one hand or sunlit uplands on the other. As the political class, we all took a decision to keep the electorate away from some of the harsh choices that would have been inevitable whoever won the election. That lack of an explicit mandate will cause difficulties in making the necessary case for deficit reduction, a case that I have discussed many times in the House. It is of great importance that we reduce the deficit as responsibly and as early as possible, not just to impress the money markets.

I feel strongly that we will now face intergenerational conflict. Almost uniquely outside wartime, the children of the present middle-aged generation—I see several 40 and 50-somethings here—will have a less good financial situation than the one that we have taken for granted. In many ways, that is a terrible indictment of the debts that we are building up, and it is one reason why we need to reduce those debts. It will make this country a more acceptable place for our children to live in.

The hon. Lady and I both have sons. I worry for my son when he comes to adulthood at 20. I hope he will have the education and skills to make him a globally mobile citizen. He and many of the brightest and best of our young men and women may choose to vote with their feet. I fear that we are already seeing an element of that, given the huge levels of unemployment among our graduate population, many of whom have globally mobile skills that they may well use to go elsewhere. I took for granted the opportunities that were available to me when I left university in the 1980s. We need to bring back those opportunities as quickly as possible. Reducing the deficit and ensuring that debt is kept to a minimum will provide a level playing field for future generations.

I appreciate that others want to speak. I will say a bit about some things that are happening in central London specifically. Due to the grave financial situation inherited by the coalition Government, all of us, whether in business, in households or in local and national Government are, understandably, being forced to tighten our purse strings. My local authority, Westminster city council, is no exception. One clear priority in Westminster is the most vulnerable in our community. Hopefully, that is a benefit of having two Members of Parliament for Westminster, one on each side of the political divide, to make the case.

It is easy to characterise my constituency in particular as extremely wealthy. The hon. Member for Stretford and Urmston (Kate Green), whom I have not had a chance to meet, is an erstwhile constituent of mine, and indeed a former candidate for the Barbican in 1997. She will recognise that although the Cities of London and Westminster contain pockets of incredible wealth, there is a lot of poverty not far from the surface. An important part of my job has always been to provide a voice for the most vulnerable in my community.

Bob Russell: I thank the hon. Gentleman for drawing attention to pockets of poverty, which are different sizes in different parts of the country. If housing benefit is cut and people cannot afford to pay the rent, what happens to them?

Mr Field: I will come to that later. One issue facing us in central London is that—without wanting to be unkind about it—it will cease to be our problem. Many of those people will leave central London and end up being rehoused elsewhere, potentially in communities a long way from where they were brought up, where housing is relatively cheap but they have no connection. That is a problem we need to deal with.

I have historically had a concern that too much social housing, particularly in central London, has tended to be clogged up with people who are perhaps in long-term unemployment or who have chaotic lifestyles. There inevitably needs to be some sort of balance. As the hon. Lady says, the interests of some of the most vulnerable and voiceless people need to be properly looked after.

In Westminster, we have an innovative scheme called the family recovery programme, which provides a form of intensive intervention. That programme tries to assign resources to specific families with a track record of causing problems within the community. In 2008, Westminster council identified a small number of families with complex and entrenched social problems, who were responsible for the vast majority of the antisocial behaviour in Westminster. The social impact on the neighbourhoods in which those families were located was immeasurable. I think all hon Members know that it takes only one or two problem families on an estate to ruin the quality of life for all who live there.

The kind of engagement that the family recovery programme has been involved in includes appointing a specific team to work with individual family members on a one-to-one basis. Such a programme is not inexpensive, but Westminster's commitment to its family recovery programme has been unswerving and in the two years that it has been in operation the results have been encouraging. The proportion of families who remain unregistered with a local GP has fallen by more than two thirds and more than 80% of children for whom truancy had been an issue have increased their school attendance. In a study of families where crime and disorder was a major concern, the number of offences of which they were accused decreased by 69% in the 12 months following a family recovery programme engagement. The average number of suspected offences per month fell from nine in the previous year to roughly one and a half. Importantly, a survey of 100 of the families' neighbours found that two thirds were either satisfied or very satisfied with the response from both the police and the council.

A housing renewal programme is also in place, which is integral to the city council's plans to support households currently in employment in Westminster that are on low incomes. The strategy outlines the city council's commitment to health and well-being. Its objectives are to increase the amount of housing, particularly family housing. Much of both the social and private housing that is being developed tends to be very small, caters for two adults and often has no more than two bedrooms.

We need more affordable homes for local workers and we need to increase the range of tenure types to help residents who wish to get on the housing ladder to do so. The hon. Lady made the stark reality of the situation very clear when she said that, without relying on help from family members, the average age at which someone gets on the housing ladder is 52. That is a pretty depressing statistic. One appreciates that in central London we are part of a global housing market. However, affordable housing is not just a central London issue; it is a problem in suburban areas and I am sure in the Solihulls and Colchesters of this world. Only a generation ago, the average person in their mid-20s could get on the housing ladder, but that is now an absolute impossibility, unless they work in a highly remunerated business. In addition, through CityWest Homes—the city council's arm's length management organisation for housing—the city council is committed to building some 500 new homes across our existing estates over the next four to five years. The majority of those will be available for social housing.

Returning to the housing benefit issue that the hon. Member for Colchester (Bob Russell) mentioned, we are still awaiting full details of the cap and we do not know quite how it will operate. I hope the Minister will give us a bit more detail on that, although I appreciate that she and her Department have a very busy work load that they are still working on in the run-up to 20 October. It would be helpful if we could get some indication of the cap, particularly for those authorities whose housing benefit profile means that there is likely to be a significant shift as a result of Government policy.

I know that my city council is lobbying for a significant proportion of the additional money that was announced in the emergency budget to help manage out the existing system. As part of that, a policy will be developed to clarify whom the city council will prioritise for help. Although the details will depend on the nature of the discretionary award, it is likely to focus particularly on low-income households, pensioners and, of course, disabled residents.

Local housing allowance residents will also be written to shortly to advise them of a change to the system. Obviously, in many ways, the uncertainty is the most difficult element of the situation. We have all had letters—the hon. Lady has probably had more than I have—from constituents who are worried sick about the potential changes. That has perhaps not been helped by one or two of the scare stories being put around. However, those people are legitimately worried about where their medium and long-term future will lie. I hope we will be given some concrete details as quickly as possible, so that, as I said, we can ensure that the most vulnerable in our communities are properly looked after.

I want briefly to touch on a local matter on which I have worked with the right hon. Member for Holborn and St Pancras (Frank Dobson) and the hon. Members for Islington South and Finsbury (Emily Thornberry) and for Lewisham East (Heidi Alexander). That issue is the Crown Estate's announcement of its intention to sell properties on the Millbank estate. With Westminster city council, I have been lobbying through the Greater London authority and independently to try to ensure that we keep the key worker nominations that are on those estates. Fewer than 1% of properties in central London are currently available at intermediate rent, so it is essential that properties such as those provided by the Crown Estate remain available at their current level of subsidy. Although Westminster city council remains concerned about the sales, given that the Crown Estate has been proven a successful landlord over many decades, guarantees have been received that the intermediate

[Mr Mark Field]

rent properties will remain available at their current rate in perpetuity and that there will be no reduction in the number of intermediate rental properties.

I could say much more, but I appreciate that other hon. Members want to have their say on the matter. Such issues will be high profile for us all and I accept that the nature of representative—and perhaps argumentative—politics means that they will be utilised by the Opposition to try to make political capital with both coalition parties. As someone who feels strongly about the most vulnerable, who need a voice and must be looked after in our communities, it is important to me in my role as an inner-London Member of Parliament who feels passionately about such matters to do all I can.

These are not simple issues. Clearly, we all have to face the fact that there is a huge deficit, which we need to address for the reasons that I set out in my earlier comments. As a matter of equity for the entirety of our communities—particularly the young—we need to do so with some haste. However, it is also of great importance that the most vulnerable are looked after. I am very worried—as the hon. Member for Westminster North is—about those in work ending up in poverty. It is understood that the workless will have some poverty issues, which are equally important and must be dealt with, but we all have a great concern about the people in our communities who work extremely long hours—they often have two or three jobs—to try to make ends meet. The voice of such people is often ignored and they are often regarded in the national context as not being such high priority welfare cases. However, those cases are very close to our hearts and we will do our best to represent those interests both in the House and at local government level in the years to come.

Several hon. Members *rose—*

Ms Katy Clark (in the Chair): Order. I intend to call Front Benchers at 10.40 am. Three hon. Members have indicated that they wish to speak, so we should give them about 10 minutes each. I call Kate Green.

10.8 am

Kate Green (Stretford and Urmston) (Lab): I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing an important debate, which has been constructive and thoughtful thus far. From the long dealings I had with the Minister before I became a Member of Parliament, I know that she will want to think about the concerns that my hon. Friends and I have raised this morning. She will want the Government's policies to be as effective and constructive as they possibly can be in meeting the needs of the poorest and most disadvantaged in society.

I shall focus on a number of the Government's announcements so far where there seem to be a set of policies that work against the Government's own objectives. A number of policies reveal contradictions, inconsistencies or discrepancies between what Ministers say they want to achieve and what their policies are likely to do. I highlight, in particular, Ministers' objectives of increasing employment, simplifying the benefits system and making work pay.

The coalition Government have repeatedly, and I think unjustly, criticised Labour's record on reducing poverty and inequality, but they have indicated none the less that they intend to do better and reduce poverty and inequality further. Ministers have emphasised that they are keen to encourage responsibility and self-reliance by encouraging people to save for the future and addressing problems associated with high levels of personal debt. They have talked about their wish to strengthen families and communities and build a big society, and many of us are trying to understand the details of some of that.

Those objectives have much to commend them. Indeed, they are similar to the objectives that Labour sought to promote when in government. However, many of the policies that have been announced so far are likely to take matters in the opposite direction. I am keen to give the Minister an opportunity to respond to those concerns and indicate where there might be some scope for Ministers to think again. I believe that the raft of changes to benefits and tax credits that have been announced so far will make the poorest worse off and will not meet Ministers' goals.

Let us look at one of the most significant changes, the decision to link the future operation of benefits to the consumer prices index, which I believe will increase relative income poverty, particularly in a time of rising unemployment. Ministers are keen to emphasise their long-term vision of reduced unemployment as more people move into work in the private sector, but not all their ambition is supported by the projections of bodies such as the Chartered Institute of Personnel and Development and the TUC. Therefore, it is important that we accept, while seeking to promote increased employment, that a substantial number of people will be dependent for at least some time on safety-net benefits and that linking those benefits to the CPI will inevitably make the poorer worse off.

For families with children, child benefit is important. It is simple, straightforward and has an extremely high level of take-up. It is effective in reducing poverty and, because it is not means-tested, making work pay, but Ministers have decided to freeze it. That is a perverse move for a Government who say that protecting work incentives and strength in families is top of their list of priorities. Child tax credit, which my hon. Friend the Member for Westminster North mentioned, acts as both an in-work and out-of-work benefit for families, but Ministers plan to remove the family element and sharpen the taper as income increases. That, too, is a work disincentive.

Refusing to go ahead with the free school meals pilots means a further disincentive. Many parents with low incomes say that the loss of free school meals is one of the biggest shocks to the household budget when they move into paid work. On paid employment, reducing the cushion for the recovery of tax credit overpayments from £25,000 of income to £5,000 will penalise people who return to work mid-year and add complexity to the system. Ministers are keen to reduce complexity, and rightly so.

My hon. Friend and the hon. Member for Cities of London and Westminster (Mr Field) rightly drew attention to the concerns in London about the measures relating to housing benefit that have been announced. I can assure you, Ms Clark, that they cause just as much concern in Trafford, the borough in which my constituency

sits. Reducing housing benefit for those who remain on jobseeker's allowance for more than 12 months is a particularly punitive policy for those who might be doing as much as they possibly can to get into work but who are furthest from the labour market. Of all the announcements that we have heard on housing benefit, that is one on which, across the board, we strongly urge Ministers seriously to think again.

Reducing the rent that will be received by social landlords as a result of the introduction of the cap on housing benefit, and then reducing local housing allowance to the 30th percentile, means that social landlords will have fewer funds available to devote to social and employment programmes. Several social housing providers have already indicated that the loss of a couple of hundred thousand pounds from their budgets will mean that those employment programmes will have to go. Furthermore, we can certainly see that in some parts of the country people faced with those cuts in their housing benefit will be forced to move to lower-cost housing in other parts of the country, and those lower-cost areas are the least likely to have jobs available.

We can also expect a worrying increase in homelessness. In Trafford we already have 12,000 people on the housing waiting list, and we can expect the situation to become worse, particularly for larger families. As my hon. Friend the Member for Westminster North has mentioned, the measures, far from reducing costs to the Exchequer and to local authorities, will significantly increase costs by forcing greater use of costly temporary accommodation. We can also expect to see more families falling into arrears and debt, although it is Ministers' stated intention to reduce the personal debt burden.

We should also be concerned about the impact on mixed communities, and Ministers have rightly spoken a great deal about their wish to protect and secure community cohesion. My hon. Friend touched on non-dependant deductions. With regard to supporting families, the decision to increase non-dependant deductions is likely, for example, to put families with young people still in the family home under great pressure to keep those young people in the family home and will penalise pensioners who may have adult children still living at home.

There are many concerns about the true impact of those measures, and they seem to work against Ministers' stated goals. None of that is simplification. For example, why are the housing benefit changes, if they have to come in, being introduced in two stages next year? That is difficult for tenants and landlords to plan for. Surely it would make more sense to do everything later in the year after there has been proper time to prepare. Housing benefit has long been seen as a potential candidate for simplification through the creation of some sort of housing credit within a broader tax credits and benefits system, but the complexity that is now being introduced is likely to make that less achievable in the medium term, not more. A further example of complexity that Ministers are unnecessarily and inappropriately introducing into the system is medical testing for disability living allowance, a benefit that has nothing to do with a claimant's medical needs.

I will also mention the policies that have been announced that seem to damage Ministers' wish to create a savings culture. The axing of the savings gateway and the child trust fund seems absolutely to work against their wish to see low-income households seeking to save more. There are real concerns about how all that adds up to the big society. Not only will the cuts in public service spending put great pressure on communities and public services, but charities in my constituency are already expressing concern about how they will continue to fund the support they provide to the most disadvantaged. I know that will be a concern for the Minister, and I am anxious to hear from her on that.

Our concern is not only about the impact on the most disadvantaged families and the fact that the Budget fails the fairness test, but that many of those measures, since they are at odds with Ministers' stated intentions, call into question the Government's competence and the direction in which they truly seek to go. I strongly urge the Minister to think again about policies that seem to be taking us in the wrong direction, before the comprehensive spending review does more damage and takes us further away. I know that she will want to respond in full to those concerns and take note of them when formulating her thinking for the comprehensive spending review. It is important that we have the fullest and most constructive debate possible on that between today and 20 October.

10.19 am

Bob Russell (Colchester) (LD): It is a pleasure to serve under your chairmanship for the first time, Ms Clark, and I congratulate the hon. Member for Westminster North (Ms Buck) on securing the debate. As the schools have just gone back, and as we are talking about low-income households, I would like to point out that for almost one in three families there was no holiday away from home—not even a single day trip to the seaside for one third of the nation's children. That is the reality in the UK, one of the world's richest countries, where the divide between rich and poor has widened over the past decade. That is where we are, and I sense that things will get worse. I am grateful to a charity called the Family Holiday Association for that information. The hon. Lady and the hon. Member for Cities of London and Westminster (Mr Field) may wish to get hold of a university of Westminster study published in April last year which can expand on it.

I intervened in respect of housing benefit because I believe that if people have to spend more money on rent—assuming that they have more money to spend on rent—they will have less money to spend on food, clothing and services. The knock-on effect—the downward spiral of less money churning through the environment—will have an impact on their local economy.

The stark fact is that, for the past 30 years, it has been impossible to tell the difference between successive Governments when it came to the provision of what we now call social housing, but which I still refer to as council housing. It is obvious that if housing stock is not provided to house the people, supply and demand will get out of kilter. That is why 30 years ago in Colchester there was no such thing as a housing crisis but there is one now. That is why local churches in my town have had to start a food parcel scheme to help desperate people who need something to eat.

A hallmark of a civilised society is that all its citizens are fed, housed and clothed, but the reality in the world's fifth-richest economy—even in our great capital

[Bob Russell]

city—is that there are levels of poverty which will grow. It is to the lasting shame of the previous Government that they left office with 3.9 million children living below the official poverty line.

My role is to try to influence the coalition Government to make the situation better, not worse. The Minister will recall that we have already had a debate on this subject. On 9 June, I pointed out the high level of child poverty. According to Barnardo's, if we take housing costs into account, 3.9 million children live in households that are below the official poverty line. I was shocked by a disturbing extract from the "Hard Times" report published by Save the Children in 2006—four years ago:

"One third of British children are forced to go without at least one of the things they need, such as three meals a day or adequate clothing."

I raise housing benefit because, inevitably, the cuts will lead to low-income families being forced out of their neighbourhoods. That is not ethnic but economic cleansing. It has no place in civilised society, and the coalition Government must not take any measures such that they could be accused of it.

Barnardo's stated in June, before any public spending cuts:

"The poorest families in the UK are struggling during the recent economic crisis and are very likely to bear the brunt of forthcoming spending cuts. Barnardo's proposes pragmatic, cost-effective solutions to redistribute money to the poorest families without the Government spending a single penny extra."

Save the Children stated:

"It makes financial sense to end child poverty—the Joseph Rowntree Foundation estimates it costs the taxpayer £25 billion a year."

Putting to one side the obvious reasons why a civilised society should not tolerate child poverty, Save the Children made the financial case for ending it. It is obvious—"obvious" is not a word that the Treasury uses or understands—that, in the long term,

"huge amounts would be saved from not having to pick up the pieces of child poverty and associated social ills."

I will end with the plea that I made to the Minister on 9 June, because it is probably more valid now than it was then:

"I therefore invite the Minister to have a meeting with Save the Children, Barnardo's and the other charities that do so much work to help children, to discuss what needs to be done. Working together, as a big coalition of people with shared interests, makes sense. It would make further sense if there were a permanent standing committee, for example, involving Government and those organisations, to help with formulating policies and strategies, in the spirit of joined-up government across all Departments. I also seek a pledge from the Minister"

for the second time—

"that there will be no delay and no dilution of the provisions set out in the Child Poverty Act 2010, including measures on the poverty reduction target and setting up the child poverty commission, which are a matter of urgency."—[*Official Report*, 9 June 2010; Vol. 511, c. 31WH.]

10.26 am

Lorely Burt (Solihull) (LD): Welcome to the Chair, Ms Clark, for your first chairmanship of a Westminster Hall debate. I am sure that you will always guide us wisely and fairly.

I congratulate the hon. Member for Westminster North (Ms Buck), who spoke with great passion. Her presentation was extremely well researched, but the facts that she presented support her case, which is exactly what one would expect. Liberal Democrats certainly do not take these issues lightly, and we heard in the passionate words of my hon. Friend the Member for Colchester (Bob Russell) that no ideological pleasure is taken from any cut made by the Government.

Liberal Democrats are in coalition because the country is in a financial pickle. We are borrowing £1 of every £4 that we spend, and if we do not do something about it, two main things would happen. First, we would lose our AAA borrowing status, which would mean that we would have to pay more to borrow, which would mean that our economic standing in the world would go down and we would go into economic meltdown, similar to Greece.

Ms Buck: I am listening carefully to the hon. Lady, who is making important points. However, the purpose of my debate was to query the Government's claims, and their practice of requiring a deficit reduction programme to fall disproportionately on the poorest people. I am not sure that what she is saying, important and valid though it is, actually addresses that point.

Lorely Burt: I am not sure that what I am saying is not relevant. I shall discuss the effects of the reductions that we will make, but I contest the hon. Lady's claim that many of them are not fair. Well researched though her presentation was, there are things that she cannot know—a great deal is still to come from the Government.

Much of what has been presented has been based on speculation, and there is a great deal of scaremongering at present. Clearly, as the hon. Member for Cities of London and Westminster (Mr Field) said, people are afraid. The time to become afraid is when we see what the Government are proposing. They are trying hard to make their proposals as fair as possible.

I want to make a second point about why we are doing this—it is the legacy. The hon. Member for Cities of London and Westminster said that we must take a grip of the existing situation. That would apply whatever party were in government. I am declining the invitation of the hon. Member for Westminster North because I want to talk about the issues that she wants to me to raise. She mentioned the report of the Institute for Fiscal Studies. I do not claim to be an expert, but it was selective in what it chose to raise, and it ignores some of the major parts of the Budget, including changes to tax credits, the increase in income tax personal allowance and freezes on council tax. It does not take account of the choices on which measures in previous Labour Budgets to continue and which to reverse, or the effect of future Budgets.

The debate on the effect of Government policy is legitimate, and all parties must be prepared to discuss that, but with respect, the debate is happening too soon. The way in which the vast majority of changes to Department for Work and Pensions policy and savings in the welfare budget will be implemented will not become clear until after the departmental spending review in October. Any debate before then is bound to be based on media speculation, of which we have had sufficient.

One reason for the consultation on departmental spending is to ensure that the difficult decisions are not made lightly, and that any cuts are made in a way that protects those on the lowest incomes. Alongside the cuts is a radical programme of core Liberal Democrat policies specifically targeted at people on low incomes—the income tax pledge, the pupil premium and the re-linking of the basic state pension to earnings. However, in the coming weeks and months, the Government must ensure that they focus on ensuring that those groups most likely to be on low incomes are protected, specifically disabled people, older people, young people and people who are long-term unemployed.

Kate Green: It is absolutely right to want to protect the most vulnerable, and I am grateful to the hon. Lady for mentioning the disabled, but are we not already seeing increasing numbers of disabled people going through the new work capability test for employment and support allowance and being found to be ineligible for that benefit, and being pushed on to the lower level of jobseeker's allowance? Can we expect that position to become even more of a problem as existing incapacity benefit claimants are put through the test and perhaps experience the same outcome? Is that not a cause for concern, particularly when there is an exceptionally high number of appeals against work capability tests, many of which are proving successful?

Lorely Burt: The hon. Lady makes an important point, but the issues to which she refers began under a Labour Government, which she supported. We must be sure that the tests that are imposed on people are absolutely fair.

Several hon. Members mentioned housing benefit. The proposals have not yet been fully created, and it is not yet possible to say what impact they will have on low-income households. However, any cap on maximum local housing allowance payments must ensure that those with large families are not unfairly discriminated against, and I hope the Minister will speak about that.

I shall conclude on a slightly more positive note, by mentioning some of the positive changes for low-income households. On the income tax threshold, we have increased the personal allowance by £1,000, so 880,000 people will come out of tax altogether and 23 million other taxpayers will benefit by £170 million a year.

We have discussed the child element of tax credits, and some hard decisions have been made so that the poorest families will benefit much more than those who can afford to bear the burden. In addition, the coalition Government will increase the personal allowance to £10,000 per annum, which the Liberal Democrats pledged in their manifesto, and will lift the poorest 3 million people out of income tax altogether.

The Government are consulting on the pupil premium to determine the exact figure for it. It will attach additional funding to children from low-income households and will dramatically improve the life chances of children from families that fell into a poverty cycle under the last Government.

With the re-linking of pensions to earnings, pensioners will finally receive a fair deal with no more 2p—or whatever it was—increases in their pension. Under the triple lock proposed by the Liberal Democrats, the basic state pension will rise in line with prices or inflation, or by 2.5% a year, whichever is highest.

The consultation is taking place. The theory and principle to which we adhere is that savings may be made on benefits through large-scale simplification. The consultation paper proposes a universal credit to replace the main three forms of benefit support—jobseeker's allowance, employment support and income support—as well as other sorts of benefit. We will allow a uniform taper rate so that when people find work, benefits will be withdrawn in line with earnings. I agree that the previous Labour Government tried hard to resolve the poverty trap, and the taper may be a solution to ensure that it will always be profitable to go to work.

The division between rich and poor increased under the previous Labour Government. Throwing money at the problem has not provided the solutions that they and everyone wanted. I hope that in the dire financial straits facing the country, the present Government will be imaginative in creating a fairer way of ensuring that people achieve prosperity and work in the best possible way.

10.38 am

Helen Goodman (Bishop Auckland) (Lab): It is a pleasure, Ms Clark, to see you in the Chair this morning. I congratulate my hon. Friend the Member for Westminster North (Ms Buck) on securing this extremely important debate on an issue that concerns millions of our fellow citizens.

My hon. Friend pointed out some key facts, and I hope that the Minister will respond to some of them. The Government have made huge play of the importance of work incentives, but the Red Book, which the Chancellor of the Exchequer presented to the House, shows that 80,000 people in this country will face worse work incentives as a result of his Budget. That demonstrates the point that my hon. Friend the Member for Stretford and Urmston (Kate Green) made about the total incoherence of the policies being presented.

My hon. Friend the Member for Westminster North asked some sharp questions, and I hope that we will hear from the Minister where the extra £2.5 billion—or is it £4 billion?—will come from in the public spending cuts in the autumn, and what exactly her assessment is of the impact on homelessness of the massive cuts in housing benefit. The hon. Member for Cities of London and Westminster (Mr Field) placed great stress on the need to tackle the deficit. Of course we need to tackle the deficit; there is no question about that. The policies set out by my right hon. Friend the Member for Edinburgh South West (Mr Darling) would have produced a debt to GDP ratio in 2014 of 75%—a high level and not one that we would want in the long term. However, over the next five years, the Government propose an additional tightening of £120 billion in public spending cuts and tax rises. The net result will be to reduce the debt to GDP ratio by 5%, so that it will be 70% rather than 75%. That is not even a 5% reduction now; it is a change in 2014. The hon. Member for Solihull (Lorely Burt) backed that point and said that we should worry about the markets. I am sorry, but I do not believe that the markets will take such a different view of a debt to GDP

[Helen Goodman]

ratio that is 5% smaller in four years' time, or that that will make all the difference. That is the altar on which we are told we should smash our public services.

Mr Mark Field: No one supports the smashing of public services, but in defence of the assertion made by the hon. Member for Solihull (Lorely Burt) and me, the bond markets have made it clear in the aftermath of the emergency Budget that they are impressed by the resolution of the coalition Government. That is one of the reasons that the yields have relaxed, which augurs well for the long-term debt to which the hon. Member for Bishop Auckland (Helen Goodman) referred. This year, £1 in every £4 that we spend has been borrowed, and we must try to keep the cost of that borrowing to a minimum.

Helen Goodman: We have tested to destruction the theory that we should drive our politics by what bankers want. That is not what we want to do, which is why Labour Members regard this Budget as deeply ideological. It will damage the life chances of the most vulnerable people—

Mr Mark Field: Will the hon. Lady give way?

Helen Goodman: Not again. My hon. Friend the Member for Stretford and Urmston made an excellent forensic analysis of the policies that we have seen so far. She is right to question the competence of Ministers who say one thing but do something completely different. Some seem to be totally out of their depth.

The hon. Member for Colchester (Bob Russell) is rapidly building a reputation as one of the most effective parliamentarians in the House. I would like to point out two facts in response to his contribution. First, under the three Labour Governments, the number of children in child poverty fell by 600,000. Secondly, the number of pensioners living in poverty fell by 900,000.

On 22 June, the Chancellor put the best possible gloss on his Budget, claiming that the effects were progressive and that the richest people would bear the greatest burden. He produced tables in the Red Book which purported to demonstrate that. Since then, independent study after independent study has demonstrated the precise opposite to be the case. In every dimension of vulnerability, the poorest do worst. The Red Book tables were incomplete and did not include the effect of the benefit cuts. Moreover, the Chancellor took credit for the decisions of his predecessor.

As my hon. Friend the Member for Westminster North has said, the first major study was undertaken by the Institute for Fiscal Studies and showed that the impact of the full £11 billion of cuts to the benefits programme, taken together with the tax changes, was regressive. Next, analysis carried out by the House of Commons Library into the impact of the cuts on women, showed that women will lose £6 billion while men lose £2 billion, thereby widening a gender gap that is already too great. In part, that reflects the cuts in support for children, but even if those cuts are stripped out, women will pay two thirds of the extra revenue taken by the Chancellor, and men will pay one third. The Government have admitted that they did not carry out an equality impact assessment of the Budget beforehand. Will the Minister tell us what stage that impact assessment is at, and when we will see it?

Many hon. Members have spoken about the significance of housing benefit. The Minister's Department carried out an impact assessment into some of the changes to housing benefit, but once again, it was an incomplete analysis because the papers produced at the end of July looked at the effect on the private rented sector only. Even that study showed that over 50,000 of the poorest pensioners will lose an average of £14 a week and that tens of thousands of severely disabled people will lose an average of £13 a week. Lone parents and people with children will lose more than adults without children.

The next major study was the analysis by Cambridge university, which showed that 134,000 families who already live in poverty will face the most cruel dilemma—whether to move or whether to cope on a lower income. When he accepted the position of Secretary of State for Work and Pensions in May, the right hon. Member for Chingford and Woodford Green (Mr Duncan Smith) said that he was interested most in the poorest people. However, the Cambridge university study shows that 54,000 families will have less than £50 to live on after the cuts to housing benefit.

Research produced at the end of August by Experian and published by the BBC looked at the north-south divide. It showed that the spending cuts will hit the north-east and parts of the midlands the most. Middlesbrough is ranked as the most vulnerable place in the country and will suffer most from spending cuts. The average income in Middlesbrough is £18,000. Elmbridge in Surrey is ranked as the most resilient town; the average income there is £27,000.

Most recently, the TUC has looked into the impact on public spending. It shows that the poorest 10% of people will lose 20% of the value of their income in terms of public services, while the richest 10% will lose 1.5%. I have looked again at the work done by the TUC, and put it together with the analysis carried out by the IFS. The work done by the TUC included the impact of the strongly progressive measures introduced by my right hon. Friend the Member for Edinburgh South West in March. However, if we strip those figures from the table, we see that the impact of the measures for which the Government are responsible will be even more regressive. By 2012, the picture looks even more unfair. After tax, benefit and spending changes are taken into account, the poorest 10% of people will lose 23% of their income, while the richest people will lose 2%. That situation will get worse over time. If we put the TUC distribution of public spending together with the IFS tax and benefit figures for 2014, we see that the poorest will lose one quarter of their income in terms of the loss of value in public services, tax and benefits, while the richest will lose 2%.

All that is before we look at the impact on jobs and unemployment. The facts speak for themselves: 25% of income will be taken from the poorest people, 2% from the richest. The effects will be felt not only over the next two or three years. We all know that poverty in childhood affects a person's opportunities throughout their lives. Of course the deficit needs to be tackled, but the speed, depth and manner of the cuts is short-sighted, unnecessary and unfair. The coalition Government are losing all

credibility in their repeated claims to be concerned about fairness. The evidence shows that there is not a shred of integrity in their claims.

10.50 am

The Parliamentary Under-Secretary of State for Work and Pensions (Maria Miller): It is a pleasure to serve under your chairmanship, Ms Clark. I understand this is the first time that you have chaired Westminster Hall. You have done us proud and done a great job. I congratulate the hon. Member for Westminster North (Ms Buck) on securing the debate. As the hon. Member for Colchester (Bob Russell) said, this is not the first time that we have debated these issues in this Parliament, and I am sure it will not be the last. However, it does give me an opportunity to set out, in a more measured manner perhaps, the impact of the policies that we are talking about as a coalition Government.

We have had a wide-ranging debate, and in the time left, I hope that I can cover as many as possible of the points that hon. Members raised. The hon. Member for Westminster North talked about challenges in relation to the perceptions of the Labour party's record in government, but she must acknowledge that the facts speak for themselves when it comes to the impact, or lack of impact, of Labour policies on issues of poverty. As the hon. Member for Colchester said, there are still far too many children living in poverty in this country after more than a decade of Labour Government. Labour talked a great deal about trying to reverse the problems of inequality in this country, but it failed to tackle the root causes of poverty, leaving a catalogue of entrenched social problems that the coalition Government must now deal with.

Ms Buck: I hoped that I was being fair in stating that I did not think that the Labour Government got everything right and tackled every problem. In the interests of equivalent fairness, will the Minister accept that child poverty increased threefold during the time of the previous Conservative Government and inequality soared?

Maria Miller: The hon. Lady is again being selective in her recollection of the facts. When we examine the level of child poverty now, we see that it has gone up since 2004 under Labour. She can throw her hands up in horror, but unfortunately the facts speak for themselves.

There are other facts that we need to acknowledge. Levels of household debt have gone up significantly. In 2009, there were almost 160,000 personal insolvencies in this country. Those were record levels; there were 30,000 more than in the previous year. The hon. Lady must look at the whole picture when giving the facts in the debate.

Further assertions have been made that progress was made under the previous Government because of the level of investment that they put in, but as we all know, investment alone is not the answer. We need structural changes in the way in which support systems work. In relation to welfare, spending on social security and tax credits has increased by about £60 billion in real terms over the past 10 years, yet as the hon. Member for Colchester said, there has been an inability to tackle the issues of poverty, and the performance on inequality has either stalled or deteriorated.

Now we face the biggest legacy from Labour of all, which is that we have the biggest deficit of any G20 country. It is incumbent on the present Government to get that deficit under control; otherwise, stability, either in interest rates or in our ability to provide employment for people or to encourage strong business, will be undermined. It is therefore absolutely right that the Government put first and foremost trying to get the deficit under control.

The Labour party now understands the failure of its policies in this area and that keeping on spending at unsustainable levels is not the way forward. The hon. Member for Bishop Auckland (Helen Goodman) was a Minister in the Department in which I am now a Minister when that spending spiralled out of control. She will know that the cuts would have had to come anyway and that her Department was already tabling 20% cuts. The problem is that the Opposition would not tell us where those cuts were to come from. Despite their being asked repeatedly, those details were not forthcoming.

Helen Goodman: There is absolutely no truth in the suggestion that the Department for Work and Pensions was proposing to the Treasury 20% cuts. I do not know where the hon. Lady has got that from. She certainly should not have seen the papers under the previous Administration. There is no truth in it, and I can assure her of that fact.

Maria Miller: Of course the hon. Lady will know that it was the other way round: the Treasury telling the Department for Work and Pensions that that was the case, because it was published in its detailed information about how a Labour Government would have to move forward after the last general election.

There is no option but for the present Government to be putting on the table the reform that is needed, because there is no viable alternative. We cannot proceed with the way in which the previous Government mismanaged the country. We have agreed and made it clear that we will protect the most needy and the most vulnerable. In the emergency Budget, my right hon. Friend the Chancellor of the Exchequer made it clear that the measures that he was proposing first and foremost would do that.

A number of hon. Members, including the hon. Member for Westminster North, referenced the IFS study. Obviously it is important that we examine such studies; and across Government that study will be taken seriously and examined in detail. However, as the hon. Lady will have to admit, it is not a complete analysis. There are omissions in the IFS analysis that make its findings incomplete. I am thinking particularly of the area that affects my Department the most—the impact of incentives to work, which will have a dynamic effect on all issues but were not taken into account in that study. The analysis by the hon. Member for Solihull (Lorely Burt) of the IFS report was a helpful contribution to the debate and balanced some of the other comments.

Another area that many hon. Members touched on was the impact of the Budget measures on families in general. My hon. Friend the Member for Cities of London and Westminster (Mr Field) referred to the wide-ranging impact that poverty can have on communities. I join him in applauding the work that Westminster city

[Maria Miller]

council does in that respect. I know about that, having met people involved in it before the election, when I was not in my current post, to hear in more detail about the family recovery plan in that area.

The Budget measures included increases in the child element of the tax credit that are well above inflation. That meant that the measures taken to freeze child benefit would be neutralised. We saw in the Budget a very effective way of protecting the poorest families by ensuring that we target the help available to us on the people who need it most.

A number of hon. Members referenced the VAT increase. I want to ensure that it is clear to hon. Members that that still does not apply to the things that children need the most: food and clothing. Therefore the increase will not have the impact that some of the scaremongers who have been talking about it might imply.

The hon. Member for Westminster North asked where the savings were coming from. I suggest to her that having 2.1 million people written off on old-style incapacity benefits is not the best and most effective way to run the country, that work is the best way out of poverty and that helping more of those people out of benefit dependency and into work will be an effective way of reducing our benefits bill.

In addition, we are working on a number of ways to ensure that families and parents benefit from work. Jobcentre Plus is now very experienced in developing employment programmes to support lone parents. The previous Government did a lot of work on that. Lone parent advisers have flexible options to enable families to get into work whenever they can, within the needs of the families and particularly their children's need to go to school. *[Interruption.]* If hon. Members will forgive me, I have two minutes to try to complete my answers to an extremely long list of questions.

I want to talk directly about child poverty. The hon. Member for Colchester challenged me again on a number of issues to do with child poverty. I confirm to him that I have had meetings with both Save the Children and Barnardo's. He talked about putting in place a cross-Government scheme to examine these issues. The Cabinet Committee considering social justice issues will be exactly the forum to debate some of these matters. Perhaps I can give him more details of that later.

The coalition Government continue to be committed to the aims of the Child Poverty Act 2010 and eradicating child poverty by 2020. The latest figures show that 2.8 million children remain in poverty. That is an increase of 100,000 since 2004 and is well off the previous Government's targets. The Opposition need to acknowledge that fact if we are to have a reasoned debate.

There are a number of issues that I have not been able to cover in my comments. I was glad that the hon. Member for Solihull mentioned issues relating to pensioner poverty. Our policies in that respect will do a great deal to alleviate some of the problems faced by pensioners. With regard to disabled people, perhaps I can clarify one point for the hon. Member for Stretford and Urmston (Kate Green). It will not be a medical gateway that we introduce in relation to DLA. It is an objective assessment. I just wanted to put her mind at rest on that.

Accident and Emergency Services

11 am

Dr John Pugh (Southport) (LD): It is a pleasure to serve under your chairmanship, Ms Clark. I understand that this is your first time in the Chair, and you are to be congratulated. Obviously, years of fierce political independence have finally paid off.

The subject today is accident and emergency provision. We have to accept that most TV hospital dramas are set in casualty departments, in the same way that most soap action seems to take place in pubs. That is not simply because they are eventful places, but because they are actually very varied places. Traditionally, every hospital has a casualty—an A and E—and it traditionally confronts a whole range of varied cases, from major trauma to self-referred cases of all kinds. Some people are anxious and simply need assurance, and some are anxious and genuinely need treatment. A and E departments also deal with the self-inflicted consequences of over-indulgence in legal or illegal drugs. Alcohol is, of course, regrettably an enormous source of business to A and E departments. Too often, the people who come there repeatedly do not get precisely the kind of treatment that they require and need. A and E departments also deal with simple things such as sprains, breaks and simple mishaps. They deal with mental health cases of all kinds—cases showing a greater or lesser degree of urgency.

What all those cases have in common is the factor of urgency. A patient either needs treatment urgently or urgently feels—which is not quite the same thing—that they need treatment. In some cases, regrettably, people are simply too impatient to seek treatment that they could get in good time elsewhere.

I have made three visits to casualty departments over the past three or four years. All of them have been different in kind. In one case, I had pins and needles in my left arm, which my wife persuaded me was an incipient heart attack. I went to casualty, was given a good grilling, and was gently diagnosed as having pins and needles in my arm. As for the second time, for reasons we will not go into, I had hit myself on the head with an iron bar. Again, I was simply checked out for a large bump and a haematoma, which had no lasting consequences—or none as far as I can tell. More critically, having had an accident in a car on the M1—I was not driving—I accompanied my daughter to an A and E department in Northamptonshire. In none of those cases did I receive any treatment, but each case was, in a sense, different. Treatment in an A and E department can be very different. It can vary from massive defibrillation to a gentle word of advice; from simply a conversation to a major life-saving intervention.

The bottom line is that A and E departments are everybody's community back-stop. It is their security; knowing that there is one in their town is crucial to a lot of citizens. As what is in an A and E department varies, they are very hard to assess by any normal yardstick or benchmark. They require a whole formidable range of skills. The skills to deal with someone who has had a cardiac arrest differ markedly from those that might be required if someone wanders in in a confused or deranged state. A and E departments have tried to deal with this informally and internally by, to some extent, organising

their work streams in different ways. My local A and E department in Southport used to have a colour-coding system. One would be told what colour one was, and attached to that colour was an expected waiting time. One knew where one was, in priority terms. There was—and there still may be—the expectation, and maybe the hope, that the patients, the users of the service, would appreciate that kind of prioritisation and understand what it is about. After all, nobody wants to wait for a long time for something they themselves have defined as urgent care. Unhappily, in many hospitals some of the customers—if I can use that inappropriate term—do not always feel that they ought to wait as long as they should, even when there are higher priority cases being dealt with.

Recently—this is where the trouble starts—within the NHS there has been an attempt to disaggregate work streams. There are two reasons for that. One is that it is thought that A and E departments are dealing expensively and inappropriately with all sorts of cases that could be dealt with better in other settings; or that doctors are referring cases to A and E departments in circumstances where references should be made to other facilities or alternatively dealt with by the doctors themselves. Secondly, there is a raft of very good research that shows that in the case of the most severe traumas, the most critically injured and sickest patients are better dealt with at a major trauma centre that is kitted out and has all the facilities and expertise necessary to deal with the problem. We all have to recognise that there is quite a lot of empirical research about survival rates that points in that direction.

The net effect of both those thrusts is that across the country there has been a downgrading of many A and E departments at many district general hospitals. Given that they are the community back-stop for many people, there is significant alarm attached to that. One notes, in Health questions and so on, that that is a common refrain. The situation is aggravated in many cases by the fact that the NHS, by and large, disowns any interest in transport arrangement. Having reconfigured services, it does not think too hard or too long about how people will get to those services. Superimposed on that is a degree of political manipulation of the proposed changes, because they are politically very sensitive. We have had an independent MP elected to this place purely on the back of the reconfiguration of such services.

In many cases, there is an attempt to think the matter through, and to soften the change and manage whatever changes are deemed necessary by means of the introduction of community facilities—walk-in centres, minor injuries centres and urgent care centres. That is a fine expression: urgent care centres. I think people respond positively to that. How and whether those changes happen in individual places seems to be a matter of chance, or certainly not a matter of clear planning. Across the country, we get a haphazard, patchwork system of urgent referral, if I can call it that. That is localism, if we can call it that. The Government have a responsibility here to set a standard. The public may accept that major trauma services sometimes require, even in these days of telemedicine, to be concentrated to be most effective. What they will not accept, and should not, is a longer journey for basic urgent care. That, sadly, can be what they get.

I want to emphasise that point by giving an extreme example in my constituency. In my town, as a result of a report that divided the spoils between two sites in a single hospital trust, children's A and E facilities were taken 9 or 10 miles down the road to a smaller country town, Ormskirk. Adult A and E remained in the town and is still there. We have an odd configuration, with adult A and E and children's A and E in two different places. The net effect of taking children's A and E out of a town as large, and with as many children, as Southport was one of mass outrage. There were major demonstrations, huge petitions that were handed in at Downing street, and the kind of documents that eventually wash up on a Minister's desk. People recognised that a genuine problem had been precipitated by ill-advised reconfiguration. Successive primary care trusts acknowledged the problem and endeavoured to deal with it. Southport and Formby PCT, when it still existed, endeavoured for some time to progress what it called a health village, which would have had a minor injuries unit. The PCT got £500,000 for it and was going to proceed with it, but, unfortunately, it was abolished, and the hopes of the people of Southport were, pro tem, crushed.

The new, successor PCT discovered exactly the same thing as the previous PCT—that there was a huge, yawning gap in service provision, which nobody could quite explain rationally and which needed to be addressed in some way. The new PCT made progress towards establishing a minor injuries, or walk-in, centre in Southport. The PCT involved stakeholders, as the previous PCT had done, as well as parents and various groups and political representatives in the town. We should bear it in mind that that was done to address only some of the issues precipitated by the reconfiguration.

It was absolutely unthinkable to people that a large seaside town would have to tell children who had had any kind of accident, such as falling over on the rugby field, hurting themselves in the street or whatever, to leave town in a taxi or in their mother's car, supposing that she had one. People thought that that was wholly irrational, given the talk these days of bringing services closer to the community.

For two years, we spoke to the PCT. For two years, we had meetings. For two years, we planned the new centre. Then, a few weeks ago—to some extent, this is what precipitated my calling the debate—we suddenly found that the PCT had commissioned a report saying that the centre could not go ahead. It argued that the viability of the out-of-town, Ormskirk-based paediatric A and E required there not to be a walk-in centre in Southport. It argued that the costs were prohibitive and that what is done in many other places—such as Solihull, where two hospitals have exactly the same arrangement as Southport, but deal with the matter very differently and more sensitively—cannot be done in Southport.

As is often the case when someone needs a report to make their case, the PCT amassed a set of statistics, which have been questioned. It spoke to witnesses, all of whom were hand-picked to take a relatively adverse tone and not to be enthusiastic about the project. It presented shaky arguments, and as is often the case on such issues, it confused financial viability, which is a completely distinct, although important issue, with clinical safety, which is a different and separate issue. It did not bother to consult the local council's overview and scrutiny committee. It spoke to GPs, but it did not consult the

[Dr John Pugh]

GP body. The result is that the public are absolutely baffled as to why we cannot have a sensitive and sensible set of clinical networks for children, based partly in Southport.

It is not just the public, but schools that are baffled. What do they do in the middle of the day if a child falls over in the school yard and someone has to take them not to a local facility, but to a facility outside town? In the past day, I have had constructive and helpful discussions with the Secretary of State for Health, and my views, far from being outrageous, strange and madly populist, are actually quite sane and rational, and it is legitimate that the PCT should take them into account.

The PCT's report set out to answer a fundamental question, although, significantly, it failed to answer it: if a mum or grandmum finds that a child whom they are caring for on that day has fallen over and hurt themselves, and they think that an urgent attempt should be made to get the medical advice that is probably required, why the heck should they have to think through getting an expensive taxi, finding a neighbour to ask for a lift or doing something else that most people in less deprived areas do not have to do? I use the word "deprived" quite deliberately because although Southport might not be defined as generally deprived, we are deprived of a resource that is widely available elsewhere.

I hesitate to argue with clinicians, and I do not know a great deal about clinical matters, but I do know something about logic, and I am fairly confident about what I know. I am confronted here with the perverse argument that if we are to have a state-of-the-art clinical facility outside town—it is suggested that it must be there because it needs to be a specialised, full paediatric facility—that can dedicate itself to playing an important role in dealing with certain things, we cannot have run-of-the-mill care in another place to deal with the ordinary hazards of childhood life. We are told that if services are to be centralised in Ormskirk, it is necessary to have no services anywhere else. That does not follow at all, because it contradicts one of the basic premises of moving A and E services in the first place—that they should not be bogged down by, or confused with, minor injuries services and that they should be fielded closer to home.

It has been suggested that if what I am saying is the case, people should have nothing in Southport and should simply go to their local GP, but that presupposes some important things. It presupposes that every GP offers the kind of service that I have outlined, which is not the case. It also presupposes that everybody has a GP. People might or might not know this, but Southport is a seaside town, and a number of children arrive every week and every weekend simply to enjoy themselves. They do not have a GP in town. If they hurt themselves on the beach, they do not expect to be told, "I'm sorry, there's nothing in this town for you. You have to go somewhere else." That is an absolutely absurd scenario. Southport should provide assurance, triage and a diagnostic base for the worried mum, grandma or teacher who does not necessarily need a blue-light service, but who, in most other parts of the country, would be the sort of person to turn up in A and E.

The people of Southport are no longer uninformed about the issue; they have an intelligent grasp of what is required, but they have difficulty getting their point across to the NHS quango that disposes of the resources and commissions the facilities. The general direction in the country should not be that clinical networks are designed on the assumption that children, patients and parents will travel indefinitely—at any time, to any place—but that clinicians should not.

I do not need it spelled out to me that there are constraints on finance in this age of austerity; finance is always an issue. Equally, it is perfectly valid, particularly in paediatrics, to say that there are chronic staff shortages in various parts of the country. The lady who did the report that was so useful and helpful to my local PCT told me that the situation is so critical in paediatrics that any new facility is almost a threat to any existing facility. However, that presupposes that the provision and availability of staff, as well as demands for them, are the same right across the country. I would take some convincing that we cannot staff a modest facility in Southport and that we must sacrifice any basic care just to keep a unit down the road going.

There is a genuine need for local commissioners to think further about this issue, and, encouraged by my discussions with the Secretary of State yesterday, I am convinced that they will. I am convinced that some of the points that I have tried to get across today have got across—albeit the hard way—to local commissioners. There are, however, two important general issues, on which other Members might wish to comment, that arise from that case and from others with which I am familiar.

First, there is the general issue of standards. Where, amid all the reconfiguration that is going on across the country—we think that we understand some of the rationale behind it—is the baseline standard for urgent care that we can expect and accept in the UK? Clearly, it will vary between urban and rural populations, and with the age of populations; demographic factors will kick in. We set standards for waiting, and most of us believe that such a standard should be set, although as hon. Members will appreciate, there have been all sorts of problems with the gaming that sometimes results from that, and with the difficulties generated. We should also set a standard for access; I am afraid that we are forgetting that in all the reconfigurations across the country that have been carried out on the basis of clinical advice. Someone cannot wait for a service that is simply not there. That is one issue raised by the Southport situation, and others.

The second issue, which is also absolutely pivotal, is democratic accountability. What levers does a community, which ultimately pays for the local NHS in one form or another, have when its requests and demands persistently, and in some cases unreasonably, go unheeded? I am not calling for some type of naked populism; I can understand the concern of anyone in the NHS. We all tend to do things on the basis of what the crowd may or may not call for in all circumstances, but the NHS trusts are often confronted with a tension between how they want to deliver a service and how the population wants to receive it. That is certainly the case with paediatrics in the Southport and Formby area.

The Minister might advise me to the contrary, but I do not think that that tension will necessarily go away if GPs hold the purse strings; it may just appear in another form. All clinicians, I think, have a predilection, for a combination of personal, genuinely clinical and

philanthropic reasons, for delivering any care in an optimal clinical environment, and we cannot afford that everywhere. To some extent, that will always conflict with access issues. I sometimes think that doctors' heaven would be a massive all-capacity ward in the middle of Birmingham, with expressways joining the city to all parts of the UK in under 20 minutes. That is the implicit model behind some of the thinking that I have heard. In the real world, however, we cannot get that, but there is another way of doing things: having well-understood clinical networks with appropriate protocols. Designed in the right way, such networks can be just as safe. In their absence, we will get continual tension between communities and the local NHS on such issues.

I genuinely think that there is a democratic deficit of sorts here. If I may hark back to the subject without it being too tedious for hon. Members, who may have lost interest in the topic—I hope that they have not—a genuine tension can be almost felt in my constituency. Over the past few years, what we have had is not no expenditure but too-large Darzi clinics, which we struggle to fill; people wonder how they came about. Equally, there is something that we dearly want, and the PCT has twice let us down over it. One can stop any individual in the street in my town and hear their anger about the facilities that they would like. They are not asking for utopia; they are just asking for obvious deficiencies—in children's services, in this case—to be corrected. I simply ask: why does this have to go on?

11.25 am

Mr Iain Wright (Hartlepool) (Lab): It is a pleasure to serve under your chairmanship for the first time, Ms Clark. I congratulate the hon. Member for Southport (Dr Pugh) on securing the debate, on what I think we all agree is an incredibly important topic. The Minister will be pleased to hear that I do not want to detain the House for too long, but I do want to question him on the provision of accident and emergency services in Hartlepool.

The Minister will no doubt recall that just before the summer recess we had an important debate on the provision of hospital services in the north-east, and I obviously focused on the University hospital of Hartlepool. I was pleased to hear the Minister say that, regarding the future of Hartlepool hospital,

"there are currently no plans to close it".—[*Official Report*, 27 July 2010; Vol. 514, c. 232WH.]

That statement was very welcome, but less than 24 hours after the Minister had uttered it the local press leaked the information that the University hospital of Hartlepool accident and emergency services, in their current guise, would close. The manner in which that was communicated was not conducive to providing any reassurance to my constituents about the future of health services. This was all part of the proposed changes, which had their origins in the Momentum programme, with which the Minister will be familiar, with some provision being transferred to the new minor injuries unit—the One Life centre in the heart of town. That is very welcome, because more people in Hartlepool will be treated for a wider range of ailments closer to home, and it brings into play the notion of more community-based health services, which is encouraging because Hartlepool needs and deserves first-class community-based provision. However, as part of the proposals, some provision, particularly for the more serious type of case seen in accident and emergency, would be transferred about 13 miles away to the University hospital of North Tees.

As I listened to the hon. Member for Southport it struck me that the model of health care in his area—a two-site trust, in Southport and Ormskirk—is very similar to my situation in the North Tees and Hartlepool NHS Foundation Trust. Moving more serious cases to North Tees is very unwelcome as it is detrimental to my constituents. As I have previously mentioned to the Minister, I know that there is a balance, and often a conflict, between providing state-of-the-art specialist medical care in a centralised setting and ensuring that all communities have access to services. The hon. Member for Southport mentioned that in his opening remarks. For many of my constituents, North Tees is not easy to get to. It might appear to be only about 13 miles away, but it is a lot further away in many people's perception, particular that of people who do not have access to a car. Car ownership in my constituency is below the national average. I therefore suggest that there would be a disproportionate reliance upon ambulance services. Is that appropriate? Is that what the Department wants? I am interested in hearing the Minister's thoughts about the relationship between accident and emergency and ambulance services.

I understand that the North East Ambulance Service had not been informed in advance in July of the proposed change to A and E. The change would impose greater pressure on that service at a time when we need to be thinking about how we put pressure on public services, and I cannot suggest that the change would help to secure safe and effective access to accident and emergency services. I am also concerned that the proposed move will accelerate the closure of the hospital in Hartlepool, despite what the Minister said in July.

I, like the hon. Member for Southport, am no medical expert, but it seems to me, as I think it struck him, that accident and emergency services are the centrepiece of a modern district general hospital. Related and interconnected services such as emergency care, surgery, resuscitation units and cardiac response teams, link up to ensure that specialist teams work closely together, both figuratively and literally, to provide the highest-quality service for the patient. In many cases, depending on the nature of the complaint, a patient presenting at A and E will result in the use of more specialist and complex medical teams that complement what might have been done in A and E. Again, that is welcome.

As to what is proposed at the University hospital of Hartlepool, the potential loss of A and E would mean that more specialist teams and complex medical interventions would move away from Hartlepool. That would be at a time when there remains considerable confusion and uncertainty about the future of hospital services, as we outlined in the debate in July. As the Minister is no doubt aware—I imagine he will recall it well—a decision was made early in the Government's life to cancel the funding for the proposed new hospital to serve the communities of Hartlepool, Sedgefield, Easington and Stockton. Whereas, before, the Momentum programme culminated in the opening of a new publicly-funded hospital in the borough of Hartlepool, the Government's recent decision on funding means, as I said in the July debate, that there is a big risk of services migrating away from Hartlepool and failing to return—without the prospect of a new hospital.

[Mr Iain Wright]

As the hon. Member for Southport said, you cannot get much bigger and more symbolic than accident and emergency, in the matter of reassuring a community about health services. I hope that the Minister will provide more information. Does he share my fear that the loss of an accident and emergency service will put a question mark against the long-term viability of a modern district general hospital? I should in particular be interested in any guidance that his Department provides about the relationship between accident and emergency and related services in a modern hospital.

As I mentioned, all that I have described is taking place against a backdrop of uncertainty and confusion about the future of health services in Hartlepool, because of the Government's decision. I am concerned in particular about the confusion that the movement of accident and emergency will produce. I welcome, and would reiterate, the comments of the hon. Member for Southport about what happens if there is an accident.

At the moment there is relative simplicity and understanding. Someone who has an accident can feel reassured that they can present themselves at Hartlepool hospital's A and E. However, although I welcome the introduction of the new One Life centre, I think that adds confusion to the mix. If, say, a child has an accident and bumps their head—which has happened to one of my children—or if, as has also happened, someone drops a lead bar on their head or gets pins and needles in their left arm, what happens then? Where should a Hartlepool constituent go? Should it be to the One Life Centre, the University hospital of Hartlepool or the University hospital of North Tees? As I asked before, what happens when those people do not have a car? Should we rely on the ambulance service? Should we rely on NHS Direct to give the first pointer about where to go? I suspect there is considerable confusion about the future of NHS Direct. In my part of the world, the north-east of England, there is a new provision—the 111 number that is part of the County Durham and Darlington NHS Trust. However, that is not particularly close to my constituency. What will happen—when will that be rolled out?

In all that is happening there is considerable local disruption and national uncertainty. I am concerned that the new service will not bed in properly and effectively until people are fully reassured that they know where to take their loved ones in the event of an accident. I was taken by the point that the hon. Member for Southport made about schoolchildren. Where would a teacher go if an accident happened at a school in Hartlepool this morning? I am not convinced that the acute trust in Hartlepool has sufficiently clear and robust communication plans to enable it to provide reassurance. Can the Minister do anything else to assist?

I pay tribute to Councillor Stephen Akers-Belcher, who chairs Hartlepool borough council's health scrutiny forum, which, in the summer, challenged and questioned the trust management on the issue in question. I am pleased that as a result of that intervention both minor and major injuries will continue to be seen by medical staff at the University hospital of Hartlepool. The scrutiny forum will closely evaluate how the proposed changes to A and E are managed. That is a good example of councillors holding the local NHS to account, which relates to the point that the hon. Member for Southport raised about the democratic deficit.

The fact remains that there is considerable confusion and uncertainty about the provision of health services and A and E in Hartlepool. While that persists it is not a good idea to move accident and emergency services away from Hartlepool. I should welcome the Minister's comments, and hope he will ensure that despite the confusion and uncertainty he will provide my constituents with the best possible access to accident and emergency services.

11.34 am

Anne Marie Morris (Newton Abbot) (Con): This has been an interesting debate and I commend hon. Members on their contributions. It is clear that accident and emergency is close to all our hearts. I am particularly blessed with two very good district general hospitals—one is at Torbay and the other is the Royal Devon and Exeter hospital. I am extremely fortunate. However, there are three minor injury units in the smaller towns of Newton Abbot, Teignmouth and Dawlish. The challenge for me is in many ways an echo of the points raised by my hon. Friend the Member for Southport (Dr Pugh). Clearly, the issue is access. I am concerned to ensure that we use the minor injury units to their fullest extent. For my constituents the journey to Torbay or the Royal Devon and Exeter is quite a long one. My concerns, on which I hope the Minister will look favourably, are that we should think about making better use of the minor injury units. If we do so, we shall help the overall NHS budget very much.

I do not know how many people realise that the number of people who attend A and E is growing faster and faster. In just the past three months of this financial year, 5.49 million people have been seen at A and E. Mathematically, extending that over the year gives a figure of 22 million people visiting A and E throughout the country. That breaks last year's record of 20.5 million. Such a figure would mean 40% of the population visiting A and E at least once, assuming that each individual who visited was responsible for only one attendance. That is a huge figure. The challenge for the Government and the country, given the current economic climate, is how we afford that. One of the issues is the number of people who inappropriately attend A and E—not through any fault of their own.

Just going through the door at an average hospital costs the NHS £100. By comparison, the average cost to go through the doors of a minor injury unit is £50. Those figures are averages, but the cost differential is significant.

Dr Pugh: The hon. Lady has mentioned the statistics and the increased number of inappropriate self-referrals. She is probably also aware, because she is extraordinarily well informed on the issue, that GPs are referring more people than hitherto to A and E. Therefore primary care—the GP setting—is not the answer. The answer is probably the minor injuries unit.

Anne Marie Morris: I thank the hon. Gentleman for that valuable contribution; I agree with the earlier comments that the answer is probably an appropriate network of different provision. However, we need that to be clearly signposted. That is the way forward.

The challenge for the Government and the Minister is to quantify the percentage of people who present at A and E who would be better dealt with in, for example, an MIU. People have tried to quantify that, but the figures vary wildly, from 60% to a more modest 10% to 30%, which is the latest finding of the Primary Care Foundation. Further work on that would be very worth while. However, the Minister could sensibly consider several steps now, even before that investigative work, to examine how we can manage A and E attendance more effectively. The figures show that 20% of presentations at A and E are alcohol-related. We all know that is a huge burden on the NHS and the country as a whole, because of crime and other issues. Minimum alcohol pricing and improving education in schools might make a significant difference to the Minister's problem.

Secondly, I suggest that the Minister and his colleagues consider the availability of other services, such as dental care, in communities. Often, it is because there is not adequate NHS dental care that patients present themselves at A and E units. A and E services are cheap, they are there, and they are now. If we could fix that situation it would make a big difference. Such problems cannot be the right reason to attend A and E. Although the PCTs have tried to assist the public's understanding of where to go for which service, it is abundantly clear that they have failed. People know about 999 and A and E, and that is where they go. We need to find a much more effective way of educating them. I commend the Minister on the commencement of the 111 service, which is excellent, if we can educate people to use it appropriately.

The Minister might also like to take into account how we give prominence to and promote MIU services. However, to do it effectively we need to ensure that across the country everyone knows what the service is and that it is consistent—for example, that opening hours are consistent. In my constituency, it depends on which MIU someone attends; if they turn up at Dawlish after 6 o'clock, the door will be closed, but that would not be the case if they turned up at Newton Abbot. It is equally bizarre that for someone who needs an X-ray, the X-ray unit is not coterminous with the MIU opening hours. Those are exactly the sort of things that put people off going to an MIU. In that regard, some steps forward would be extremely helpful.

If I may, I shall take the opportunity to refer to a couple of helpful things that my local health community is doing in my constituency. First, in Torbay hospital, local GPs attend A and E at the point of entry, so, rather than going through standard A and E routes, some patients see GPs, which reduces costs. The second good initiative in my constituency comes from our mental health practitioners recognising that, often, a stay in hospital is extended because someone has the symptoms of depression. Devon Partnership NHS Trust, which is responsible for mental health care in my constituency, has placed mental health care practitioners in hospitals to assess individuals, and, as a result, is beginning to reduce the time that individuals stay.

I am grateful to hon. Members for their contributions and to the Minister for his attention. I commend to him the idea of looking further at consistency in MIUs, how to reduce alcohol-related admissions, using mental health care practitioners to reduce the length of stay in A and E, and making other services, such as dentistry, available, as they should be, to avoid people unnecessarily going to A and E.

Dr Pugh: On alcohol-related admissions, which the hon. Lady mentioned twice, one problem that besets many A and Es is repeat customers—chronic alcoholics who appear again and again. Clearly, alcohol pricing would make little difference to them, so a linkage between A and E and other services in the community is normally required in those contexts. In many parts of the country, that linkage simply does not exist, which creates repeat custom for A and E.

Anne Marie Morris: I have finished my speech.

Katy Clark (in the Chair): Gordon Birtwistle.

11.43 am

Gordon Birtwistle (Burnley) (LD): Thank you, Ms Clark. This is my first time in this Chamber, and I hope I succeed as well as you will no doubt succeed in the Chair. I congratulate my hon. Friend the Member for Southport (Dr Pugh) on securing the debate.

In Burnley, we have been fighting for over three years to resolve a major problem with our A and E. I shall give a brief history of the area, which is Pennine Lancashire and includes Burnley, Pendle and Rossendale. Not many years ago, we had five hospitals. That was reduced to one, which was a very successful, well-loved and well-thought-of hospital—Burnley general. Over the past three years, it has been decimated, and the A and E has disappeared. The hospital covers an area—Burnley, Pendle and Rossendale—with a population of more than 250,000, and the A and E services have been moved to the Royal Blackburn hospital, which is brand new, built in Blackburn, and, I believe, built for the area that Blackburn covers. It is attempting in some way, shape or form to cope with the extra influx of people travelling over from Burnley.

Our A and E was changed to an urgent care centre. What an "urgent care centre" is, nobody seems to know. I certainly do not know, and when people ask me what "urgent care" means, I say, "Well, if you need it urgently and you need some care, that's where you must turn up." They say, "Well, what's the difference between that and an A and E?" That debate is still going on in Burnley, and it is a question that I have asked the chief executive of the trust to answer, without much success.

This started three years ago with the "Meeting Patients' Needs" study by Sir George Alberti, who decided that the 250,000 people in Pennine Lancashire did not need an A and E and it could be transferred comfortably to Blackburn. The vast majority of the 250,000 do not feel that they have had their needs met in one way, shape or form or even at all. Royal Blackburn hospital is constantly overwhelmed and permanently on red alert. On one occasion, it had to close the A and E due to being swamped with what I would class as patients or, as my hon. Friend the Member for Southport said, customers—

Dr Pugh: A horrible word.

Gordon Birtwistle: Indeed. People turning up at A and E were being either stored in ambulances or transferred to Lancaster, and, in one case, a gentleman

[Gordon Birtwistle]

came to me who had been transferred to Bury. On arrival in Bury, in his carpet slippers and cardigan, after taking his wife initially to the A and E unit in Burnley, he was told that she was being kept overnight and he could go home. When he questioned where he was, they said, "You're in Bury." He said, "I only went to Burnley, how the hell have I finished up in Bury? How do I get home? I've got my carpet slippers on, I'm in my cardigan and I'm 76 years old." He was pointed to a taxi, which took him home at great expense. That is an example of what is happening with an A and E unit that was built some 35 miles away from the outskirts of Pendle and some 15 miles away from Burnley—the area that it is supposed to support. How on earth can it cope with the extra work? It cannot. If it could, it would not be on red alert permanently.

The misunderstanding over what A and E and urgent care are is a big concern, and I understand that the Government are looking into renaming urgent care in future, which may make it easier for people to understand. I accept that we do not need to go to a major A and E unit for a cut finger, a stitch or something like that, but major traumas happen. In fact, a major trauma happened in Burnley when an old lady parking her car in a car park that was less than 100 yards from the entrance to the hospital got her foot jammed in the car pedals and crashed into another car. Burnley hospital refused to treat her. The hospital entrance was less than 100 yards away; they brought out a blanket and covered her up, and sent 15 miles for an ambulance to take her to the A and E in Blackburn. That old lady said to me, "I wasn't badly injured. All right, I was shook up, I'd got my foot jammed in the pedals and I'd banged my head. I'm sure a hospital this size—a hospital I've been proud of all my life in Burnley—could have treated me for something like that." But, they sent an ambulance 15 miles to pick her up, took her to Blackburn to give her a check over and sent her home under her own steam. In this day and age, 2010, when not many years ago men were walking around on the moon, that is outrageous. It is totally unacceptable. Either the urgent care unit should advise people what it does at the hospital and if it is prepared to do it, or the whole A and E facility should be transferred back to Burnley.

Following on from that point, I have stood behind a campaign table outside Marks and Spencer every Saturday morning for more than 107 weeks. A petition of 25,000 names has called for our A and E unit to be brought back. We have the support of almost all our GPs, the people of Burnley and the borough council. When Sir George Alberti conducted a study, he was supposed to consult all the relevant people in the area. He consulted the borough council, and I sat in on the meeting as leader of that council. However, there was no consultation; we were presented with a fait accompli. It was almost as if he was saying, "We are moving the A and E to Blackburn and that is that." When we asked him why, he said that in his view people in Burnley would be better served in Blackburn. I have to say that the hospital in Blackburn is fantastic. It is brand sparkling new, except for the A and E unit, which is an oversized portakabin that is stuck outside and not yet incorporated into the hospital. Therefore, the people of Burnley, Pendle and Rossendale have an appalling service. My hon. Friend the Member for Pendle (Andrew Stephenson) is also supporting our campaign to get the unit back to Burnley.

I am delighted to say that Burnley has a brand spanking new £30 million extension to the maternity unit, which has a birthing suite and all the related facilities, and we welcome it with open arms. Adjacent to that is a children's ward, but that is now being closed down and moved to Blackburn, so we have all the facilities in Burnley for newborn babies but none for children. A child is classed as such from three months upwards, so if they are unwell when they are born they will only be treated in Burnley for three months. Thereafter, the parents will have to trail them to Blackburn, which is 15 miles away, and many of them, as the hon. Member for Hartlepool (Mr Wright) says, do not have cars. What happens to a young mother who has two children? Her husband or partner may be working or she may be on her own. How does she manage to take one of her children to Blackburn when she does not have transport? The hospital says that there is a minibus that runs from one hospital to the other. It is a joke.

Dr Pugh: My hon. Friend is clearly aware of the irrationality of the problem. However, he might not know that in Southport and Ormskirk, the paediatric department and the children's A and E was moved to Ormskirk because that was where the maternity suite was based and it was felt that it was essential for the paediatric and maternity suites to go together. That is completely the opposite argument, and we are only about 40 miles away from one over in Lancashire.

Gordon Birtwistle: My hon. Friend makes a good point. The children's ward is moved from one town to another because that is where the maternity suite is based. In Burnley, the children's ward is being moved to make way for a maternity suite. It is hard to make any sort of sense of how all this is configured, who has dreamed it up and what they are going to do about it. To say the least, I am confused, and I have been involved in such matters for a long time. How on earth are the people of Burnley, Pendle and Rossendale supposed to know what is going on?

The movement of the children's ward might not be totally linked to the A and E unit, but, none the less, it is being done against the wishes of the people and the new guidelines that have been laid down by the Secretary of State. The Secretary of State makes it quite clear that the borough council, the GPs and the people of the town have to agree to such a move. Of the 66 GPs whom I wrote to, more than three quarters have replied. One is totally in favour of the proposal, but that is because he sits on the health board, three are neutral about it and the rest are vehemently against moving not only the A and E unit but the children's ward as well. The borough council has moved a motion opposing the proposal and the people of Burnley have signed many petitions against it.

We in Burnley demand that the children's ward not be moved. I urge the Secretary of State to put a stop to such a proposal. Having said that, the trust is totally oblivious to such objections. I have challenged the trust to stop the move, and it is almost as if it says, "We are moving it and we don't care what anybody says." The

trust seems to think that it is more powerful than anyone, and it takes no interest in what the people, the patients and the politicians say.

The situation is a mess. I am sure that Burnley, Pendle and Rossendale are not on their own. We have already heard that Hartlepool and Southport have the same problem. I am sure that it is the same all over the country. Torbay obviously has one hospital too many. The hon. Member for Newton Abbot (Anne Marie Morris) should keep her eye on it because it may well be closed. It is critical that we solve this problem because millions of people depend on their A and E unit and children's ward. They need the confidence to turn up to such facilities if something happens. Deciding what urgent care does is important, but we should also be more linked to the idea of smaller, proper A and E units if we do not want full-blown A and E units across the country.

11.55 am

Diana R. Johnson (Kingston upon Hull North) (Lab): It is a delight to serve under your chairwomanship, Ms Clark. I congratulate the hon. Member for Southport (Dr Pugh) on securing this important debate. I know that he has particular interests in health concerns not only in his constituency but around the country. He set the scene very clearly at the outset and described why we need good A and E facilities in this country. However, I was concerned when he talked about hitting himself on the head with an iron bar. I hope that had nothing to do with his frustrations with some of the health policies of the coalition Government.

The Minister of State, Department of Health (Mr Simon Burns): That happened when your party was in government.

Diana R. Johnson: Let me refer to the three points that were pertinent to this debate.

First, the hon. Member for Southport spoke about a patchwork system that reflected the haphazard way in which emergency services are provided. The White Paper "Equity and excellence: Liberating the NHS" says it plans to develop

> "a coherent 24/7 urgent care service in every area of England that makes sense to patients when they have to make choices about their care."

My hon. Friend the Member for Hartlepool (Mr Wright) raised the issue of local communities understanding where they can best access care. The hon. Member for Newton Abbot (Anne Marie Morris) mentioned the standardisation of services around the country. I will come back to that point later, because I have great concerns about the rest of the White Paper, which is much more about localism and ways to provide service. Such a thrust might be a problem for the particular aim that the White Paper sets out around emergency care.

Secondly, the hon. Member for Southport mentioned the need for baseline standards around waiting times, access and so on. I am again concerned with the thrust of the White Paper and that we may not have that baseline standard around the country. We have already seen the reduction in the waiting-time target in A and E from 98% to 95%, and I understand that it will be removed completely in the future.

Thirdly, the hon. Member for Southport raised the issue of democratic accountability. I have to say that I raised an eyebrow at that point because it was clear that the Liberal Democrat party had got one of its manifesto promises in the coalition agreement, which was to have directly elected members of the PCT, but just a few weeks later, the White Paper basically ripped up that section of the coalition agreement. As I understand it, democratic accountability is now to be through the scrutiny function of local authorities. Although I know that local authorities can carry out such scrutiny very well—we heard from my hon. Friend the Member for Hartlepool about the excellent scrutiny that has taken place in Hartlepool—I am concerned about how they will do it now that their budgets are being cut. To scrutinise health services will require further resources, not least because local authority members will need to be trained up. There is a difference between being able to scrutinise effectively the emptying of bins and so on and being able to scrutinise the very difficult, complicated and technical clinical health services.

Mr Burns: I am staggered by the shadow Minister. She is a very reasonable person and I understand that she has a job to do because she is now a shadow Minister in opposition. However, I was surprised that she did not mention, let alone give any credit to, the concept of the health and wellbeing committees, because they will play a crucial role. And there is another thing that surprises me. Presumably, she was perfectly happy when local authorities took on a greater role in public health, so why should they not do so under the proposals in the White Paper?

Diana R. Johnson: I am a great supporter of local government and served as a local authority councillor for eight years, so I understand clearly the important role that a local authority can play in a community. However, I am saying to the Minister that effective scrutiny and the effective ability to look at what is often quite complicated work would demand a rethink about the resources that we put into local government scrutiny. If we look back over the years during which there have been scrutiny panels in local government, we find that there is a concern about the capacity of local government to scrutinise services effectively that are outside their own remit.

[Mr Charles Walker *in the Chair*]

I want to move on, because I want to pay tribute to my hon. Friend the Member for Hartlepool, who, as ever, is a strong advocate for health services in his locality. Importantly, he also raised the issue of NHS Direct. Over the summer, there was a lot of confusion because of the unfortunate way that announcements were made about the future of NHS Direct. So it was important that that issue was raised in the debate, because I think there is genuine concern in the community about it.

The hon. Member for Newton Abbot raised the issues of minor injuries units and the need for appropriate networks of care. The hon. Member for Burnley (Gordon Birtwistle) gave a very full history of what had happened in his community. He discussed the problem of trying to define the difference between "urgent care" and "A and E services." However, I noted that the Secretary of State for Health has made it clear that the naming

[Diana R. Johnson]

of facilities is very much an issue for the locality in which a facility is situated, so the local area needs to determine what title best fits the services that a facility provides.

The hon. Member for Burnley also raised a number of points that I wish to discuss briefly regarding the confusion that exists at the moment about reconfiguration and the current Government's position on that issue.

I think there is genuine agreement that all changes in health services should be clinically driven and, of course, locally led. My right hon. Friend the Member for Leigh (Andy Burnham) made it clear when he was Secretary of State for Health that tough decisions would have to be made about moving services out of hospitals and into communities, where they would be closer to people's homes, and about centralising specialist care where it made sense in terms of protecting patients' safety. The hon. Member for Southport referred to the great deal of research on patient safety that is available and he and my hon. Friend the Member for Hartlepool said that more consideration needs to be given to the transport links that are so vital if communities are to be able to access health care facilities.

I do not wish to take very long to make my comments, because I want the Minister to respond to the particular constituency issues that have been raised today. I just want to raise more general issues regarding the concerns that exist about the Secretary of State's announcements on reconfiguration.

Before the election, the Secretary of State made great play of touring the country and promising that A and E services would not be closed; he said that such closures would not happen under his watch. Two weeks after the election, he made an announcement at Chase Farm hospital that there would be a moratorium on service changes. The revision to the NHS operating framework 2010-11 was published on 21 June and it states:

"A moratorium is in place for future and ongoing reconfiguration proposals."

However, several local areas have pressed ahead and made decisions to downgrade A and E services and other facilities, including the downgrading of a maternity unit in Kent, which local GPs are opposed to, and the downgrading of a maternity unit at Chase Farm hospital, where before the election the Secretary of State had said that the plans for the north central London review would be scrapped. Now it appears that those plans are being brought forward again.

Ministers in the coalition Government have made it clear that it is not their approach to intervene in health care services and reconfigurations. Curiously, however, despite the Government's saying that strategic health authorities should not take decisions relating to service changes, on 29 July David Nicholson, the chief executive of the NHS, wrote to strategic health authorities, asking them to

"undertake an assessment of which proposals have successfully demonstrated the test and should proceed, which require further work and which, if any, should be halted. This initial assessment should have been completed by 31 October 2010."

I just want to refer to the "test" mentioned in that letter. As I understand it from what the Secretary of State has said, it involves commissioners—the commissioners being GPs—having to reconsider whether or not they support the proposal that is being put forward. It also includes strengthening arrangements for public and patient engagement with local authorities; that is particularly referred to in the "test". There must also be greater clarity in the clinical evidence for any reconfiguration and the need to develop and support patient choice must also be taken into account. As I understand it, that is the "test" that the coalition Government are putting forward, which has to be gone through, step by step, for any reconfiguration.

However, when we refer back to the statement on the moratorium, that is all rather confusing and contradictory.

Mr Burns: May I help the shadow Minister by reading to her what the Secretary of State announced in May would be the guiding principles for new and current reconfigurations? He said that

"reconfigurations must have the support of GP commissioners; demonstrate strong public and patient engagement; be based on sound clinical evidence, and consider patient choice."

I hope that helps to clear up her confusion, although I expect it will not.

Diana R. Johnson: I am grateful to the Minister for going through that list of criteria again. However, I think that the hon. Member for Burnley will remain confused, because in his contribution to the debate he made it very clear that local GPs overwhelmingly opposed the proposal that was being put forward in Burnley but that the primary care trust was pushing ahead with the proposal. That does not quite fit with the "test" that the coalition Government have put forward.

Gordon Birtwistle: The actual movement of the A and E unit to Blackburn was carried out under the hon. Lady's Government and the decision to move the children's ward was made under her Government. I am hoping that the coalition Government will reverse the decisions that were taken under her Government to move the children's ward, in order to fit in with what the Minister has just mentioned.

Diana R. Johnson: I do not wish to rewrite history.

Gordon Birtwistle: I do not wish this debate to be political—I just want my hospital back.

Diana R. Johnson: With the greatest of respect, I do wish to be political, although I do not want in any way to rewrite history. I understand very well the events that the hon. Gentleman has just set out, which happened under the last Labour Government. However, what concerns me now is that we have a coalition Government who have made contradictory statements about their plans for reconfiguration of services. The hon. Gentleman is faced with a particular issue in his constituency. At the moment, there seems to be confusion. Overwhelmingly, GPs in Burnley do not want the transfer of services to go ahead, but their feelings are being completely ignored by the PCT. I do not wish to intrude on private grief, because obviously this is a matter for the hon. Gentleman's Government to deal with, but I just want to point out that that is an example of the contradiction that exists at the moment and the confusion that exists around the country.

Mr Burns: The shadow Minister does not want to "intrude on private grief" and I appreciate that. I want to help her to stop digging. If she waits until I make my response to the debate and address the point made by the hon. Member for Burnley, my response might help to clarify her mind.

Diana R. Johnson: As always, I am very interested to hear what the Minister has to say. However, there are three specific points that I would like him to address. First, is there currently a moratorium on reconfiguration proposals, and if there is, why are local areas able to take decisions to downgrade A and E Departments?

Mr Burns: Do you want me to answer that?

Diana R. Johnson: I am very happy to let the Minister respond in full in a few moments. I am reaching the end of my comments.

Secondly, does the assessment of proposals that SHAs have been asked to carry out apply to existing schemes? Thirdly, if it is not for Ministers to intervene in service changes, why did they promise to halt closures of A and E departments and maternity departments before the general election?

I also want to say, Mr Walker, that I am delighted to serve under your chairmanship today. I am not sure if this is your first opportunity to be in the Chair in a Westminster Hall debate, but it is certainly a pleasure to see you in the Chair today.

12.9 pm

The Minister of State, Department of Health (Mr Simon Burns): What an unexpected pleasure it is to serve under your chairmanship, Mr Walker. It is a first for me, and I hope that there will be many such occasions in future. I congratulate the hon. Member for Southport (Dr Pugh) on securing this important debate. I will start by dealing with some general aspects, and will then discuss some of the specific issues raised by hon. Members and the Minister.

Diana R. Johnson: The shadow Minister.

Mr Burns: Sorry, the shadow Minister. I was trying to make the hon. Lady relive old glory days.

Mr Iain Wright: Happy days.

Mr Burns: Obviously they were not happy for the country, or the hon. Lady would not be a shadow Minister now. But there we are; that is life. I pay tribute to the many members of NHS staff in the constituency of the hon. Member for Southport for all the hard work that they do to provide dedicated, committed health care to his constituents and those of other hon. Members in the neighbourhood who are served by the facilities there.

This Government were elected on a platform of reform of the national health service. Our White Paper, to which the shadow Minister alluded, sets out our plans. More than any other Government in the history of the NHS, we will devolve real power to patients, GP commissioners and all clinicians working on the front line. As the NHS becomes increasingly locally led, it will become locally accountable to local authorities and health watch groups. As the White Paper unfolds and reforms are implemented, subject to current consultations, I hope that that commitment will give some reassurance to all those hon. Members who mentioned democratic accountability. Local authorities and health and well-being committees will have a significant role, in terms of democratic accountability, in a way that primary care trusts and strategic health authorities did not.

Diana R. Johnson: I would be interested to know what the Government's rationale was for removing the section in the coalition agreement that said that PCT boards would be elected. Why was that in the coalition agreement if it was to be ripped up five weeks later, and if the White Paper was to get rid of PCT boards?

Mr Burns: As the hon. Lady will be aware, this is a coalition Government. That means merging the best practice that each party to the coalition has to offer. That is why we have adopted from the Liberal Democrat manifesto the policy of abolishing SHAs. When we unveiled our proposed reforms, which concentrate commissioning with GP commissioners and GP consortiums, because GPs are at the forefront and are closest to patients, it became clear that if we were to have proper democratic accountability with local authority involvement, the role of PCTs would be diminished to the point where it would have been a waste of resources to keep them, as their functions would be performed by other groups, such as GP consortiums and local authorities. It is a question of merging best practice to get the best solutions and provide the best health care for all our constituents.

Dr Pugh: Will the Minister give way?

Mr Burns: I will, but I am relatively short of time if I am to deal with all hon. Members' questions.

Dr Pugh: It should be said that the previous Government shied away from every chance to give a decisive voice on the construction of health services to anybody who held elected office. I promoted a private Member's Bill that endeavoured to introduce a different form of democratic accountability, but the test of the White Paper will be whether people with a democratic mandate have a voice in deciding health services.

Mr Burns: I am grateful for that intervention. The hon. Gentleman makes a valid point.

As we do away with politically motivated, top-down-process targets, we will focus all the NHS's resources on what doctors and patients most want: improving health outcomes. Accident and emergency and urgent care services will be reshaped to reflect those changes in the coming years. I will outline some of our plans.

For many years, accident and emergency services have been operating under the rigid law of the four-hour wait target. How long someone waits in A and E before receiving treatment is important, of course. Not only does it affect the patient's overall experience of care, but timely treatment generally means better and more effective treatment. However, the problem with the four-hour wait target, an incredibly blunt instrument by itself, was that it became the be-all and end-all of performance management. Such a narrow focus led to the distortion

[Mr Simon Burns]

of clinical priorities. I am sure that we are all familiar with tales of hospitals admitting patients unnecessarily, solely in order to meet the target. There have even been persistent allegations that some hospitals have failed to record figures properly, undermining confidence in the whole system. I am sure that hon. Members will agree that that will not do.

From next April, we will introduce a range of more meaningful performance indicators balancing timeliness of treatment with other measures of quality, including clinical outcomes and patient experience. I trust that the shadow Minister will reflect on that. She is looking a little puzzled, because that is at variance with the shock-horror statement about targets and A and E that she made in her contribution.

Diana R. Johnson: Just so that we are all clear, is the Minister saying that there will still be a waiting time target for patients in A and E?

Mr Burns: No, that is not what I said. I am sure that you were listening carefully, Mr Walker, but for the benefit of the shadow Minister, I will repeat what I said, so that there can be no misunderstanding whatever. From next April, we will introduce a range of more meaningful performance indicators balancing timeliness of treatment with other measures of quality, including clinical outcomes and patient experience. Those performance indicators are currently being drawn up by the profession and will enable doctors and nurses on the ground to deploy their greatest asset: their own professional judgment. Based on clinical advice, the Secretary of State has already reduced the threshold for meeting the four-hour target from 98% to 95%, as the shadow Minister said. The move has been widely welcomed within the medical profession.

The shadow Minister will understand that the issue is about locally led, clinically led services. The same goes for the configuration of those services. It is vital that the NHS continues to modernise and improve for patients' benefit, but it is also vital that when that means reconfiguring local services, reconfiguration is based on sound clinical evidence, has the support of GPs, clinicians and the local community and considers patient choice. The days are over when a select group of people could meet behind closed doors to decide the future of local health services. In future, change will be led from the ground up, not from the top down.

Where local NHS organisations have already started to consider changing services, we have asked them to go back and ensure that the proposals meet the new criteria and, if they do not, to take steps to ensure that they do so before they proceed. We have asked commissioners to complete any such reviews by 31 October. However, we do not intend to ask the NHS to reopen previously concluded processes or to halt work that has passed the point of no return—that is, projects where contracts have been signed or building work has started.

The hon. Member for Southport discussed the lack of clear definitions for various services. When somebody walks through the doors of an A and E department, a walk-in centre or an emergency care centre, what exactly should they expect? What ailments or injuries are most appropriate for each setting? It is not only an issue of general confusion; it is also a matter of safety. If someone presents at a place describing itself as an accident and emergency department, but it does not have the same facilities as most A and Es, that patient could face delay and unnecessary risk.

As part of the quality, innovation, productivity and prevention programme, work on standardising urgent and emergency care is under way. Its aim is to clarify what services can be expected in various facilities. By using criteria based on clinical evidence, it should be possible to standardise those terms across the country. That is currently being done in three pilot areas: east Lancashire, Manchester and Salisbury. The conclusions should be published by the end of the year, alongside the operating framework. However, it will not state which types of service should be provided in particular areas. That decision will be made locally.

The hon. Member for Southport specifically raised the issue of children's services in his constituency. I understand that services were reconfigured across Southport and Ormskirk hospitals in 2005. As a result of that reorganisation, emergency surgeries, including adult accident and emergency, were centralised in Southport. All children's services, including A and E, were concentrated in Ormskirk, as the hon. Gentleman said.

I know that the hon. Gentleman has been vigorously campaigning for the development of a children's walk-in centre for Southport for some time. Sefton primary care trust commissioned two national experts in paediatric emergency medicine to conduct an independent clinical review of that proposal. On 8 September this year, I understand that the hon. Gentleman met Mike Farrar, the chief executive of the North West strategic health authority, to raise some serious issues about the content of the report that he was shown in advance—issues such as his belief that the report mixes up issues of clinical safety with those of affordability.

The SHA has suggested that the PCT receive that report as a preliminary report, and that further work should be conducted to address the hon. Gentleman's concerns. The final report should be completed by December. I understand that my right hon. Friend the Secretary of State fully endorsed such an approach when he met the hon. Gentleman yesterday. Although that will add a further three months to an already drawn-out process, I hope that it will provide a far stronger platform for moving forward. Such an approach will also underline the Government's determination that decisions about local services should be taken locally and include the views of GPs and the wider community.

On the question of children's A and E services, one important aspect of high-quality care is ensuring that a particular institution receives a sufficient volume of cases to be safe. Patients are best seen by professionals who have access to the right equipment and support services, the right specialist skills and frequent opportunities to exercise those skills. Mercifully, serious illnesses and injuries are relatively rare but, when they occur, it may be better for a patient to travel slightly further to a specialist centre where the appropriate skills are concentrated. That is why regional trauma and stroke centres have been set up and are proving such a success. Similarly, children are best seen by specialist paediatricians

in a child-friendly environment. Of course, that is and remains a matter for local decision making, based on local demand for urgent care for children.

I shall turn briefly to the points raised by the hon. Member for Hartlepool (Mr Wright), who mentioned a number of issues concerning the provision of health care in the Hartlepool area. As he rightly said, we have had a number of debates on health care, and I am starting to feel extremely familiar with his constituency's issues, although sadly I have not yet visited it. First, on the issue of NHS 111—which was, of course, inevitably picked up by the hon. Member for Kingston upon Hull North (Diana R. Johnson)—as I am sure the hon. Member for Hartlepool knows, NHS 111 is being piloted in four areas this year. We will evaluate the experiences and knowledge we gain from those pilots and roll out nationally the 111 number to replace the NHS Direct number. He will appreciate that a 111 number is more easily identifiable in everyone's mind than the far longer 0845 number that NHS Direct uses. We will wait and see what happens on that matter.

The situation that the hon. Member for Kingston upon Hull North outlined was not quite accurate. There has been no confusion. Ironically, what my right hon. Friend the Secretary of State is doing in piloting a 111 number is simply reflecting and implementing a manifesto commitment made by the hon. Lady's party at the last election. There are times when political parties share views and think that an idea should be experimented with. I am running out of time for my speech, but I reassure her that there is no confusion.

The hon. Member for Hartlepool also mentioned the issue of A and E and ambulance services. As he will be aware, ambulance calls are put into the category of A, B or C. Any cover from Hartlepool would be imaged under that system, and who should use what type of ambulance or transport would depend on the category that their condition, illness or injury falls into. At this stage, I believe—I shall choose my words fairly carefully, so that the hon. Gentleman does not immediately intervene and contradict me—that the A and E at Hartlepool has not yet closed. If he will allow me, I shall look into the matter a little further, because I would like to know for my own education and knowledge exactly what is going on there. If he thinks it would be helpful, I will write to him after I have looked into the matter. I hasten to add that I do so simply for my own education and knowledge, because decisions must be taken locally.

My hon. Friend the Member for Newton Abbot (Anne Marie Morris) raised some extremely important issues, not least those relating to mental health. She also mentioned a crucial matter that not only causes problems in the health sector, but gives rise to antisocial behaviour and law and order considerations: that of alcohol and alcohol-related admissions to A and E or minor injury units. I reassure her that considerable work on that is being done across Government, including in the Department of Health, because we are as concerned as she is to come up with solutions to alleviate and reduce that pressing problem, which affects all our towns and villages, particularly on a Friday and Saturday night. On the question that my hon. Friend raised about opening hours and the availability of some minor injury units at Newton Abbott, Teignmouth and Dawlish, I will make sure that her comments are drawn to the attention of the South West SHA, so that it is aware of her concerns.

The hon. Member for Burnley (Gordon Birtwistle) was courteous enough to give me advance warning of the issues that were of particular concern to him. I understand and appreciate the points he raised. I know that he has written to me and if a response has not yet been received, one will shortly be sent to him from the Under-Secretary of State for Health, my hon. Friend the Member for Guildford (Anne Milton). I must emphasise that it is not for me to reconsider the application of the new criteria with regard to the proposed reconfigurations in the hon. Gentleman's area. That is for local people to consider. It is for GPs, the public, local authorities and local PCTs to reassess what they consider to be a viable and successful future for the services provided in Burnley and Blackburn.

The Department of Health has asked the local NHS to look at how ongoing schemes meet the new criteria, as laid down by my right hon. Friend the Secretary of State, including meeting patients' needs. NHS North West has advised us that that work will be concluded in October 2010, and that it will be able to advise on the process and the progress of that review then.

As the hon. Member for Burnley outlined, he has done considerable work. I encourage him to share his and his constituents' concerns again and again with NHS North West or the PCT, as is appropriate. He needs to ensure that the strong body of public feeling and opinion within his community and constituency is brought home to the relevant authorities that are considering the matter and recommending decisions on what should happen, so that they can fulfil the criteria that my right hon. Friend the Secretary of State has set out.

In conclusion, this has been an extremely helpful and useful debate. A number of very important issues have been raised by hon. Members across the divide, and by the shadow Minister, the hon. Member for Kingston upon Hull North. I know that there are a number of things that she will never accept, not least in the vision unveiled in the White Paper. However, as with all other areas of health care, on A and E—urgent care—I reassure her that the overriding principle of this coalition Government is to judge patients' quality of care by raised outcomes, rather than through process targets. That will ensure that we can give the finest health care to all our patients.

Private Car Parks

12.30 pm

Henry Smith (Crawley) (Con): Thank you, Mr Walker, for the opportunity to raise the matter of better consumer protection for those using private car parks. Having just walked through Westminster Hall, I am deeply aware that we are close to a place of great significance in our nation's history, and that the subject of the debate might sound somewhat mundane, but it has been the single greatest issue of concern expressed by constituents since I was elected in May. Indeed, even before I became an MP, when I was the leader of the local county council and a parliamentary candidate, many local people raised the matter with me. It is a concern that has been highlighted recently by the Automobile Association, the Royal Automobile Club and the Consumers Association.

I do not want to give the wrong impression; the majority of private car park operators conduct their business in a reasonable and responsible way that respects the consumer. However, there are all too many examples of private car park operations that use highly questionable methods, and I am afraid that one such operation is located in the heart of my constituency.

What is the problem? Well, more than 60 constituents have contacted me because, having visited a private car park and bought a pay and display ticket, about a week later they received a somewhat threatening letter claiming that they did not purchase a ticket and demanding payment. It is not enough for the constituent to produce evidence that they did purchase a ticket, because the operator then claims that it was not correctly displayed. Interestingly, the operator does not produce an adhesive label with the ticket so that it can be stuck to the window. By contrast, a fine issued in a local authority car park is cancelled when a ticket that has fallen off the dashboard is later produced.

Another concern that many constituents have raised, and which is a problem in private car parks across the country, is that motorists are being issued with tickets for irresponsible parking for the most minor infractions, such as having a wheel only an inch on a white line, even when there is no parking space next to the vehicle. By contrast, much more discretion and explanation is allowed in council-controlled car parks. Indeed, around 60% of appeals relating to council car parks in England and Wales are successful.

Another concern is that the clocks on pay and display meters seem to be deliberately set between five and 10 minutes fast, so when shoppers look at their watches or mobile phones they think that they still have a little more time to get back to their cars, but of course they do not, according to the meter clock, and so are issued with a ticket. By contrast, in council-controlled car parks people are allowed a grace period when returning to their cars and the clocks usually run on time.

The sheer scale of the fines that some rogue private car park operators charge is another cause for concern. The car park in my constituency charges £70 on average when a ticket is issued, which must be paid within a fortnight. If that is not paid, the operators hike up the amount by £30 every fortnight. The letters sent out have a rather threatening tone.

Mr Mark Williams (Ceredigion) (LD): I pay tribute to the hon. Gentleman for securing the debate; I suspect that the issue is as passionate in Ceredigion as in Crawley. As he mentioned, the problem is not just the scale of the fines, but the threatening tone of the letters that demand payment. A constituent of mine, Mrs Yvonne Partington, was issued with a £110 fine and received a letter with the familiar black and white checkerboard pattern of the Dyfed-Powys constabulary, even though it came from the company she had the misfortune of dealing with. She had left the car park in good time but became stuck in a traffic jam. The photographic machine recorded her as staying in the car park, but she had attempted to leave long before her ticket was up. Those are the kind of injustices that the hon. Gentleman's constituents, and those of many other Members, are experiencing.

Henry Smith: The hon. Gentleman is absolutely right. The strange practice of making the demand for payment look like an official ticket and the threatening nature of the letters mean that many elderly constituents become concerned and are essentially intimidated into paying the fines. Other people are worried that their credit rating will be damaged if they do not pay the fine, as that is often used as a threat.

Anne Marie Morris (Newton Abbot) (Con): I thank my hon. Friend for bringing this crucial matter to the House's attention. I suspect that every Member present has received complaints from constituents on the subject. He is absolutely right that a vehicle need be only a millimetre over a white line for the enforcement to be draconian and rapid. My point, which reinforces what the hon. Member for Ceredigion (Mr Williams) said, is that the fines are pursued very aggressively. The time limits and the rates at which the fines increase are such that the average householder is unable to work out whether the claim is justified and then sort out payment. More interestingly, once a fine is hiked up to the top figure—

Mr Charles Walker (in the Chair): Order. This is an intervention.

Henry Smith: My hon. Friend the Member for Newton Abbot (Anne Marie Morris) makes a good point. I have found that there is zero compassion from the car park company in my constituency. In local authority car parks, justifiable reasons, such as a ticket falling off a windscreen, are at least usually heard fairly in an appeal, but no discretion is allowed by the private car park firms that I have been dealing with. I have never come across a case in which they have cancelled a ticket. They are simply interested in seeking the "fine" from the person they wish to charge.

Not only is that worrying for elderly residents and those concerned about their credit records, but it is starting to damage town centre businesses. Such rogue parking firms are bad corporate citizens, and their practices start to have negative effects on other town centre businesses. I have plenty of evidence for that. I was talking to a constituent the other day who told me that he simply would not go into the town centre again because he feared that he would be slapped with a fine, despite doing nothing wrong. The problem is starting to damage business.

Gareth Johnson (Dartford) (Con): Perhaps my hon. Friend will agree that there are wider issues here. He will be aware of the Government's proposal to ban clamping on private land, which would make ticketing the only available recourse, and that would be a failure unless it was responsible ticketing. Consequently, the Government's plans rely wholeheartedly on responsible companies ticketing only in appropriate cases. Otherwise, the proposal will fail.

Henry Smith: My hon. Friend is absolutely right, and I fully support the Government's proposal to ban wheel-clamping on private land in England and Wales. That has been successful in Scotland since 1992; the ban has not created any problems there. He is right, however, to highlight the fact that such a change could shift some private parking operators from their usual suspect practices to simply using the Driver and Vehicle Licensing Agency database, which is easy to register with, to continue issuing threatening fines. Although I fully support the proposed legislation, I feel that it might create an unintended consequence elsewhere. A complete picture would be provided by better regulation of the way all private operators issue tickets.

What is the answer to the problem? As an elected representative, I see it as my role to raise this kind of issue in this place, and I am happy to do that. However, as a politician, my instinct is not suddenly to reach for the statute book or create a new quango or agency. We have enough of them in this country—we need to trim back on quangos and agencies—and I do not think that they are necessarily the answer. I certainly do not want to place on our police officers or local authority traffic wardens the extra burden of policing private car parks as well.

I wonder whether it would be worth considering giving a power to license private car parks to the local authority—the elected local government in an area—which would, of course, be responsive through the ballot box. Local councils are used to licensing small, local outlets. Publicans are licensed by the local authority, and if they are caught consistently selling alcohol to under-age individuals, they lose their licence. Taxi drivers are another example: they are licensed by the local authority, and if they fiddle with the meter or are convicted of dangerous driving, they lose their licence to operate.

In a similar way, local councils could simply license local car park operators to operate. This could be self-funding through a small levy on the private operator, which makes considerable sums through the business. The council would be able to respond to complaints that come into the town hall, and to say, "There is clearly a problem with an operator, and the licence conditions need to be reviewed."

At present, the only way that local authorities can have any real influence over rogue car park operators in their administrative area is through planning permission, but that works only if temporary planning permission has been granted to a site. Once a precedent has been set in planning and plans have been approved, rescinding permission is extraordinarily complex and difficult—I would argue that it is almost impossible. Local authorities really do not have many powers in their armoury that enable them to defend their residents—our constituents—from such practices.

There is another possibility. An agency that I was not aware of until recently, the Security Industry Authority, which I understand sits under the Home Office, has been—and technically still is—responsible for licensing private wheel-clampers and other security companies across the country. Obviously, if the legislation goes through—I am sure that it will—and the ban on private wheel-clamping becomes effective, part of the agency will cease to have a role. There would be a golden opportunity to slim it down, and perhaps its power in that respect could be devolved so that local authorities could have greater influence.

As I said at the beginning of my remarks, this may seem like a mundane issue to discuss, considering the great issues of the day, but I have been struck by the considerable angst and upset the subject has caused constituents, and often those who are most vulnerable.

Andrew George (St Ives) (LD): The hon. Gentleman makes an excellent case. He appears to acknowledge that clamping, which the British Parking Association's voluntary code says should be used only as the last resort, is in fact often used as the first resort, within nanoseconds of a ticket going over the limit, as we all know from our casework. I assume from what he says that he would welcome further regulation and a body to which people can complain and through which they can get redress.

Henry Smith: The hon. Gentleman makes a good point. I spoke earlier about my political instincts, which may not be shared by everyone across the Floor. My instincts are that if an industry can self-regulate, it is probably preferable that it does so. He is right to mention the industry body called the British Parking Association, but from the research that I have done, it seems that it has failed to police its members and look after the consumer. It appears to be there to look after the interests of its members only. I certainly have yet to come across an instance—no doubt there are examples—where it has upheld a complaint by a motorist. Therefore, it seems that self-regulation is failing.

George Eustice (Camborne and Redruth) (Con): My hon. Friend raises an incredibly important point, and we all have to deal with such issues. Rather than introducing a complicated system of licensing or a complaints ombudsman-type procedure, would it not be better just to have clear regulation, and expressly to limit the powers of the parking companies, perhaps by making it clear that they cannot levy fines greater than the prevailing fines of the local authority, and that fines should be waived if a ticket is produced retrospectively? That kind of clear regulation could be included in the Government's current legislation on car-clamping.

Henry Smith: My hon. Friend raises a good point. My instinct is not to increase regulation—I am a fan of increased local accountability and control. I am not claiming today to know the answer. One of the reasons why I asked for this discussion was to have an opportunity to explore how best to address the situation.

Personally, having researched the issue, I think that a local licensing function need not be a burden. Licensing committees often meet for only about 20 minutes at a time, and an extra item on the agenda every so often

[Henry Smith]

need not be a problem. As for additional expense, a simple fee for applying for a licence could cover it. However, I certainly would not oppose looking at legislation to set a maximum fine, or legislation similar to that which went through relatively recently to regulate local authority car parks and set clear standards for them. It would be worth considering extending such standards to private operators.

My concern about civil cases is that most people do not have the ability or resources to pursue them, and it seems that rogue car park operators rely on that. Frankly, they scare many people into paying the fine; they think, "I'll pay the £70 because I just want the problem to go away." It seems that that accounts for 90% of their business.

The suggestion has merit, and I would ask the Government to consider a broad range of options not only to clamp down on the clampers—no pun intended—as proposed, but to ensure that the other sharp practice of some private car park operators is brought to a halt, so that the industry can be respected again. There needs to be greater clarity between private car park providers and local authority car park providers.

Thank you, Mr Walker, for the opportunity to raise this issue. I am grateful for hon. Members' contributions.

12.48 pm

The Parliamentary Under-Secretary of State for Transport (Norman Baker): I congratulate my hon. Friend the Member for Crawley (Henry Smith) on securing this debate on consumer protection—in effect, that is what it is—for users of private land. I also congratulate him for the first time officially on his election. He had a good reputation as leader of West Sussex county council, and I hope he carries it through in this House, as I am confident he will.

This issue can be controversial and, understandably, can raise strong emotions. I note the contributions of support from my hon. Friends the Members for Ceredigion (Mr Williams), for Newton Abbot (Anne Marie Morris), for Dartford (Gareth Johnson), for St Ives (Andrew George) and for Camborne and Redruth (George Eustice).

Off-street land accounts for a significant proportion of the space that is allocated for parking in England, and highway authorities have a statutory duty to manage the traffic network to ensure the expeditious movement of traffic, as required under the Traffic Management Act 2004. Off-street land may be in the ownership of and managed by the local authority, or it may be in private ownership. As my hon. Friend the Member for Crawley said, off-street parking on private land has caused more controversy than that on public land.

The owners of private land are entitled to decide who may or may not park on their land, and the terms and conditions on which that land may be used. For example, national health service organisations have autonomy to make decisions that best suit their local circumstances, and private land may include land controlled by public bodies for the purpose of the point made by my hon. Friend. We uphold the right of landowners to limit and to control who parks on their land, but it is important that those who want to park there are aware of the status of the land, the terms that apply and any penalties that might flow from contravening those terms. It is also important that any penalties are appropriate and proportionate.

One option open to landowners who wish to limit use of their land for parking purposes is to use gates or barriers, which are relatively inexpensive to install and probably one of the simplest and most effective ways for landowners to manage use of their land. Barriers can either prevent access entirely or ensure that a charge for parking there can be collected. They also have the advantage of making it absolutely clear to motorists where they may or may not park.

However, in other areas it may not be so clear to the motorist that land is not available for parking by anyone, or they may believe that they can park with impunity. I am told that it is not unknown for motorists to park outside the kiosk at a petrol station while nipping off to transact business elsewhere. Clearly that is not acceptable, and landowners are entitled to deal with the problem. Motorists parking on private land allocated for that purpose have the protection of the Government's consumer legislation. Exactly what that protection comprises will, of course, depend on circumstances, and it is for trading standards officers to decide whether the circumstances merit action being taken.

Consumer protection legislation includes legal safeguards enabling motorists to seek legal redress if they have been unfairly penalised for parking on private land. For example, if signs or price indication about a service are misleading, or if information about high charges is available only when motorists have entered the car park and they cannot exit without paying, they may raise the matter with their local trading standards officer. In response to a point raised by my hon. Friend the Member for Crawley, trading standards officers may also be interested in aggressive letters that are sent to individuals. Aggressive debt collection is an offence, and may result in action by trading standards officers. I am aware of constituents who have been frightened into paying because of the threat that the sum may double and because the tone of letters is so threatening that they feel obliged to pay. That cannot be satisfactory.

Marketing information to promote the supply of parking services that is given to consumers at the entrance to the land or elsewhere is likely to be a commercial practice within the meaning of the Consumer Protection from Unfair Trading Regulations 2008. If such information is misleading or aggressive, or unfair in other ways, it may be prohibited under those regulations, which are enforced by trading standards officers or the Office of Fair Trading by way of injunctions and through the criminal law.

If a motorist decides to park in a car park and buys a pay-and-display or similar ticket, it is likely that a contract is established and that some or all the information on a notice at the entrance or elsewhere setting out the terms under which parking services are offered may become the terms of the contract in law. If the motorist contends that a term is unfair, the Unfair Terms in Consumer Contracts Regulations 1999 may be relevant. Those regulations provide that unfair terms are not binding on consumers, and trading standards officers and the Office of Fair Trading may wish to take action.

The Consumer Protection from Unfair Trading Regulations 2008 deal with misleading signs. There may be an offence under regulation 6 if material information

is hidden or provided in a way that is unclear, unintelligible, ambiguous or untimely, or if it is omitted. That may apply if signs cannot easily be seen or read for any reason, but must be material and likely to affect the decision making of the average consumer—in this case, the motorist.

If parking charges cannot easily be seen before entry and the information relating to them is placed, for example, much higher than the motorist would reasonably expect, and the motorist cannot exit the car park without paying, that may constitute an offence, but it is less likely to be an offence if the motorist can easily exit without paying when they have seen the charges and if they decide not to park, or if the charges are around what the consumer would reasonably expect. That is because it is unlikely that the motorist's decision is affected by the omission.

Anne Marie Morris: Will the Minister give way?

Norman Baker: If my hon. Friend will forgive me, I was left with only 12 minutes in which to respond and I want to answer the points that were raised. If I find some space later, I will give way to her.

Owners of private land will often want recourse to the Driver and Vehicle Licensing Agency to secure information about vehicle ownership. DVLA policy is to ensure that organisations such as private car parking operators are subject to adequate controls and safeguards before disclosing personal data about vehicle keepers. To safeguard the release of information from DVLA's vehicle record, the agency requires parking enforcement companies to be a member of an accredited trade association. To retain membership of such an ATA, the company must abide by its code of practice to promote fair treatment of motorists. Car parking operators who do not comply will face expulsion from the ATA and will not be able to access personal data in the course of their business.

So far, the British Parking Association is the only relevant ATA for the parking industry, and all members must comply with its code of practice, which covers, among other things, requirements for signage and methods of contact with motorists. The BPA'S code of practice provides that there must be signs that show in plain and intelligible language all the terms on which an operator may wish to rely. Signs must be placed at the entrance to the car park, and there must be adequate signage placed in other locations throughout the car parking area so that motorists are aware of the risk involved at the time of parking or leaving the vehicle.

The code of practice sets out the information that must be included on a ticket. That includes the parking operator's registered company name and, if the operator is using a trading name other than its registered company name, a geographical address where documents may be served, as well as details of all other communication methods, including a phone number or non-mechanical contact point by which motorists may challenge a parking ticket. Parking operators are encouraged to provide an e-mail or website address.

One condition of membership of the BPA is that the company has a complaints procedure that enables motorists to challenge any ticket that they believe was not merited. This year, the BPA will launch an independent body to consider cases in which a motorist is unhappy with the way that a company has dealt with a complaint, and it will be mandatory for parking companies to abide by the decisions of that body. Those that do not, without good reason, will be expelled from the BPA and will no longer be able to enforce parking restrictions on their land with the use of vehicle keeper data from DVLA. As my hon. Friends the Members for Crawley and for St Ives said, that relies on effective self-regulation by the parking industry, and we are prepared to see whether that works but we reserve the right to take further action if it does not. I note that two companies have already been expelled since the approved operator scheme was set up in October 2007, so it seems that the BPA recognises that self-regulation must not be toothless.

I turn to the suggestion that local authorities might license private sector car parks. Powers exist to enable that to be done, but it is wholly a matter for local authorities, such as West Sussex county council, to decide whether to do so. Section 44 of the Road Traffic Regulation Act 1984 enables the provision of an Order in Council to enable the operation of public off-street parking places to be regulated in England and Wales by the county council. My hon. Friend the Member for Crawley may have been unaware of that when he was leader of that august body. The Government would be willing, in principle, to consider that if a county council sought it. My officials tell me that they are not aware of any such order ever having been sought by a county council.

Not only are powers available to local authorities to regulate off-street parking, but they may also, with the agreement of the landowner, take over operation and enforcement on that land. For many landowners, particularly public bodies, such as hospitals and educational establishments, local authority enforcement using the Traffic Management Act 2004, with its strong regulated framework, may be an attractive option, which enhances public accountability, but a local authority cannot force a landowner to take on that responsibility, nor can a landowner force a local authority to do it. There must be a willing partnership on both sides.

I assure hon. Members that the Government are very aware of public concern about the enforcement practices adopted by some companies operating private car parks, including unreasonable behaviour and excessive additional charges. As set out in the coalition agreement, the Government are committed to banning unacceptable wheel clamping on private land and I hope that my hon. Friend saw the Home Office's welcome announcement last month taking that forward.

We are working with the industry to ensure that the legislation is introduced smoothly and effectively, and can come into force as soon as possible. Apart from tackling outrageous and unacceptable behaviour by some clamping companies, that will help to improve the image of the private parking industry, which works well overall but has been tarnished by such behaviour and the actions of some companies. We are working with the industry to improve working practices, and to encourage compliance with relevant codes of practice.

Anne Marie Morris: I am delighted to hear that there are so many remedies. My only comment is that one must be a lawyer rather than an average driver to take advantage of them. Something should be done to make them more public.

Norman Baker: We will do our best to publicise what is available and to ensure that good, sensible, straightforward language is used so that people can understand it.

I am grateful for the opportunity to set out—

Mr Charles Walker (in the Chair): Order.

Maidstone Hospital (Maternity Services)

1 pm

Mrs Helen Grant (Maidstone and The Weald) (Con): In a few months' time, if current plans proceed, there will be no consultant-led maternity services at Maidstone hospital. That means that each year, 2,000 women will be put at greater risk, with potentially lethal consequences. The community in Maidstone has spoken out loud and clear, and thousands of people have signed a petition to say no. Our borough and county councillors have said no, and members of the business community have said no. As a local resident and mother of two, I also say no. In a recent survey, 97% of respondents said no, and the response rate to that survey was 77%, which is high.

We are not resistant to change and we have no hidden agenda. We do not ask for anything new, and we do not seek something different. We simply want to retain our existing services, and maintain genuine, safe choices for our community. The NHS trust tells us that for the first time, choice will be available to Maidstone mothers. There will be a midwifery-led birthing unit with six beds in Maidstone, or people can travel to Pembury, Medway, Ashford or Dartford, which all require long journeys. However, I say that mums with complications or those who need an epidural will have no local choice; mums who need a Caesarean section, or those who simply want to know that they will have the best expertise and equipment available when their baby decides to come out, will have no local choice. The trust tells us that patients will vote with their feet, but it does not mention that many patients cannot vote to remain in Maidstone.

I have with me in the Chamber a bundle of letters addressed to the Secretary of State for Health. They have been signed by 100 GPs from the Maidstone area who claim that the new journey times over bad rural roads are unacceptable. They say that the extra risk and stress to mothers in labour is unacceptable and that, worryingly, it is a near certainty that some babies who are delivered in Maidstone will need immediate medical treatment and could die or suffer brain damage while en route to Pembury or elsewhere. Those are our GPs and future commissioners of services, and they are talking about our mums, children and babies.

I will not go on too long or go into too much detail, but I can speak from personal experience because my first child arrived a month early. I was in a full service NHS hospital and was cared for by a superb midwife called Sister Butler. Near the end, my baby became tired and his heart rate started to drop. Sister Butler looked worried and suddenly there was not one but four heads around the delivery table, including a consultant, and there was lots more equipment. That happened in moments, and it illustrates how quickly an apparently normal birth can change. Baby Benjamin Grant arrived safely, but I shudder to think of the consequences if he had had to take a 50-minute journey to Pembury—that is what it would have been.

Our campaign is about community, choice and safety. The evidence against downgrading our maternity services is powerful and profound. The reconfiguration plans are utterly wrong and dangerous and will lead to fatalities. On 21 May, the Secretary of State set out new, visionary criteria for hospital reconfigurations. Those criteria show

his commitment to reforming the NHS and giving power back to our patients and—rightly—to our health professionals.

On 7 September, in reply to my oral question, the Secretary of State said:

"one of the four criteria that I set out on 21 May was that reconfigurations must have the support of local general practitioners as the future commissioners of services. To that extent, a reconfiguration that did not have the support of local general practices would not be able to meet that test."—[*Official Report*, 7 September 2010; Vol. 515, c. 177.]

We have clearly demonstrated in my constituency that local GPs are strongly against the reconfiguration plan. In his recent White Paper, the Secretary of State said that there would be "No decision about me without me." Maidstone GPs and patients have answered that call: they have said no, and they have said it loud and clear. When he considers the proposal in detail at the end of the month, I urge the Secretary of State to reject the reconfiguration plan that would move services for women and children from Maidstone. I am grateful to you, Mr Walker, for allowing me the opportunity to speak, and I believe that some of my colleagues have something to say.

1.6 pm

Tracey Crouch (Chatham and Aylesford) (Con): I congratulate my hon. Friend the Member for Maidstone and The Weald (Mrs Grant) on securing this important debate, and I thank her for allowing me to take up some of her valuable time to make a few points. Although she has led on this issue, it significantly affects my constituents, too. For expectant mothers in Aylesford, Larkfield, Ditton, Snodland, and the three villages of Burham, Eccles and Wouldham, the town of Maidstone—and the closest hospital—is only a few miles away.

This is an emotive issue and it is fundamentally founded on concerns about practicalities. I do not know whether the Minister has been to Maidstone and made the journey from the current hospital site to the new unit in Pembury. My hon. Friend the Member for Maidstone and The Weald, the doctors, and the several hundred expectant mothers who have campaigned on this issue would, I am sure, be delighted to show her that even if someone is transferred by ambulance, it will take a significant amount of time to reach the unit. That could be critical in an emergency. Furthermore, mothers who have further to travel to a hospital tend to leave earlier, possibly at the first twinge. Instead of arriving at the appropriate time, they end up arriving too early and using valuable resources that would otherwise be available to others. Evidence suggests that the longer a mother stays at home before giving birth, the better the outcome. Therefore, moving the unit further away could have the opposite effect to that intended in the proposals, namely better maternity outcomes.

I promised my hon. Friend that I would take up only a few moments of time, so I conclude by saying that I fear the impact that the reconfiguration will have on the busy maternity ward at the Medway Maritime hospital. Earlier this year, the hospital reported a record month for childbirth, with a staggering 434 babies born in May. Midwives at the Medway Maritime hospital already deliver about 4,500 babies per year, and I believe that a further 8% increase on that is expected each year. The hospital is fortunate to have good facilities and it is recognised as the largest unit in Kent. However, it too is bracing itself for the fallout from the reconfiguration. We have already seen some worrying near-misses, with babies being born in ambulances that were diverted from Maidstone.

At present, about 50 women from Medway choose to have their babies in Maidstone, but I expect that figure to be revised, and I suspect that it will be much higher following the reconfiguration. Although I appreciate that funding will follow the mother from West Kent primary care trust to Medway, the pressure that will be put on resources could prove dangerous.

The *Medway Messenger* newspaper has recently covered incidents of babies sadly dying due to what mothers have described as stress in the service. Clearly, any complaint should go through the proper process, so I do not intend to say anything on individual cases, but even though the Maritime is well prepared for an increase in capacity, concerns remain that increased pressure on maternity units could lead to further cases of infant mortality.

I am in no doubt that the intention behind the proposals is to improve maternity services for my constituents and others, but it is not right to do so in a manner that could put mothers and babies at risk. I urge the Minister to listen to the excellent case made by my hon. Friend the Member for Maidstone and The Weald and to reconsider the proposals in order to ensure that expectant mothers in mid-Kent are given the best possible chance to deliver their babies safely and locally.

1.10 pm

Dr Daniel Poulter (Central Suffolk and North Ipswich) (Con): Thank you, Mr Walker, for calling me to speak in the debate. My hon. Friends the Members for Maidstone and The Weald (Mrs Grant) and for Chatham and Aylesford (Tracey Crouch) have already made very significant points. I speak as someone who was, before entering the House, an obstetrician working in the London, Kent, Surrey and Sussex training rotation as a registrar. The points that have been made are valid; I just want to add another couple of issues to the debate.

First, it is true that throughout the London, Kent, Surrey and Sussex area, there has been a push to have more midwifery-led units, but generally speaking, if we consider the example of Crawley and East Surrey hospitals, examples that are being developed in Brighton, and the Bromley hospitals, we see that the push has been to have a low-risk, midwifery-led unit alongside a higher-risk unit. We in obstetrics know that a greater number of women—rising to about 30%—are giving birth by Caesarean section, and that number is going up year on year. Many births that we initially think uncomplicated end up being much more complicated.

I will concede that in Crowborough in Sussex, there is a midwifery-led unit that is run very well for a small number of mothers who are multiparous and have a very low risk of developing complications. Generally, however, accepted obstetric practice has been to put the high-risk unit close together with, or alongside, the low-risk unit.

The other issue that I want to raise is junior doctors' training, because Maidstone hospital has very close links with the unit at Benenden hospital and shares

[Dr Daniel Poulter]

gynaecology provision with Benenden hospital. If we take away the key driver of obstetric and gynaecology training, which is obstetrics, there is an issue about whether there will be a loss of gynaecology expertise at Benenden and, indeed, the whole of mid-Kent.

Having raised those few issues, which I am sure my hon. Friend the Minister will address, I shall conclude my comments.

1.12 pm

Amber Rudd (Hastings and Rye) (Con): I know my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter) well, because he was the resident registrar at our local hospital, the Conquest. We had a major maternity campaign there two to three years ago to save our consultant-led service, and we stressed safety, which I know is a main issue for the Government. However, I would also like to stress, in support of my hon. Friend the Member for Maidstone and The Weald (Mrs Grant), that supporting the vulnerable is very important to the coalition Government and it is sometimes the vulnerable who are most left out of the sort of decisions that we are discussing. Vulnerable young women are sometimes not able to think ahead and plan their pregnancies. They find themselves in difficult circumstances and particularly need the support of consultants and obstetricians. I therefore support my hon. Friend in this debate, and place particular emphasis on the vulnerable; that is the issue that we led with in Hastings when we saved our service.

1.13 pm

The Parliamentary Under-Secretary of State for Health (Anne Milton): It is an outstanding pleasure to speak under your chairmanship, Mr Walker. I congratulate my hon. Friend the Member for Maidstone and The Weald (Mrs Grant) on securing this debate on the future of maternity services at Maidstone hospital and, in particular, the consultant-led maternity services there. I know that the future care of women and their babies in Maidstone is extremely important to her, her constituents and their families. No one could have done more to represent their views. She brought to the debate her own experience as a mother, as indeed do I. Interestingly, I had four children in four different hospitals, so I feel that I have quite wide experience on a personal level of maternity services. We also heard from my hon. Friend the Member for Central Suffolk and North Ipswich (Dr Poulter), who has professional experience in obstetrics. There is a wealth of experience in the Chamber on an issue that is clearly dear to many people's hearts.

I want to take this opportunity to pay tribute to the NHS staff in Maidstone and, indeed, across the south-east region, who provide such wonderful care to all the people who use it. I pay tribute in particular to those who deliver babies, by the second, around us, bringing joy to many of us.

It may be helpful if I briefly describe the wider context of NHS reform, before turning to some of the more specific issues. All health care constantly needs to adapt to changes in demography, changing lifestyles, changes in disease patterns, innovation in health care and, indeed, rising health care costs. Change is always unsettling, however. Constituents rely on local health services and, naturally, any suggestion of those services being moved or reorganised always causes concern. However, as my hon. Friend the Member for Maidstone and The Weald stated, that does not always mean that people are resistant or see change as a negative thing. That assertion—people always hate change—is sometimes used unfairly to dismiss concerns, but what is clear about any change is that it must be managed openly and transparently. It should not be dictated by politicians from the Dispatch Box or in this Chamber. It must be a collective, informed and locally made decision, genuinely driven by clinical professionals, genuinely grounded in firm clinical evidence and genuinely recognising the views of the local community.

My right hon. Friend the Secretary of State has therefore been clear about the four crucial tests that any future change to the NHS service must pass. First, it must have the support of GP commissioners. Secondly, the public must be fully involved, with public and patient engagement duly strengthened. Thirdly, there must be greater clarity about the clinical evidence base underpinning any proposals. Fourthly, any proposals should take into account the need to develop and support patient choice. That will mean that patients, local GPs and clinicians, local people and local councils have a far greater say in how services are shaped in the future.

I understand that the proposals to centralise the consultant-led obstetrics and in-patient paediatric service in the Maidstone and Tunbridge Wells area to the new Pembury hospital were consulted on in 2004, and that the plans to consolidate consultant-led obstetrics and in-patient paediatric services at the new Pembury site have been agreed since 2005.

There are often strong arguments for centralisation. It is not, as is often believed, always about saving money, but is sometimes about delivering higher standards of care. There is no doubt that centres of excellence achieve that status by seeing critically high numbers of complex cases. I can cast my mind back to my own experience as a nurse and someone who worked in the NHS for 25 years. Even back in those dark days—it was a long time ago—we had centralisation of neurosurgical services and other specialties for exactly that reason. Critically high numbers of patients being seen produced centres of excellence that could deal with and make better people with rare and not commonly occurring conditions and diseases.

However, I am aware of the considerable public concerns about changes to services in Maidstone. I know that two petitions have been submitted—one to No. 10 Downing street and one to the Department of Health—and that my hon. Friend the Member for Maidstone and The Weald has written on numerous occasions to the Department to express concerns about the transfer of consultant-led obstetric services from Maidstone to the Pembury. Indeed, she has brought with her today a wodge of letters expressing those concerns.

In the light of the concerns, the council's health overview and scrutiny committee referred the case to the previous Secretary of State in February this year. He asked the independent reconfiguration panel to provide advice, and in its response the panel concluded that due process had been followed. The current Secretary of State accepted those recommendations in July and

therefore made it clear that plans for the centralisation of consultant-led obstetrics and in-patient paediatric services at the Pembury should continue.

As I have described, however, the new Government are determined that local voices should be properly heard and that any concerns are taken seriously. The Secretary of State has also asked the local NHS to work with clinicians, GPs, the local council and patient groups, to allay public concerns and demonstrate that those four tests are met. He has asked the strategic health authority to report to him at the end of September, and we would expect that report to set out clearly how the concerns mentioned by my hon. Friend the Member for Maidstone and The Weald—around accessibility, staffing, clinical quality and the huge concerns about transport—have been properly addressed.

I understand that the local NHS has to date conducted 26 one-to-one-interviews, 16 focus groups and addressed various other meetings and groups. Those included a focus group with nursing and midwifery staff, interviews with councils' representatives and discussions with GPs across the area. Until the SHA report is submitted to the Secretary of State, it would, of course, be inappropriate—albeit, I am sure, disappointing to my hon. Friend the Member for Maidstone and The Weald—to speculate on what the report might say, but we must wait for that report to be published. The Secretary of State will look carefully at what the trust proposes to do, to allay those concerns and ensure that the voice of the whole community is heard in the implementation.

My hon. Friend the Member for Chatham and Aylesford (Tracey Crouch) raised some concerns about the funding for Medway PCT. I understand that the service changes will have no impact on that funding. I also understand that South East Coast SHA has advised my officials that Maidstone and Tunbridge Wells NHS trust has had detailed conversations with all the surrounding trusts about the impact of additional activity. She detailed the large number of births and concerns for a rising number of births. There is no doubt that, for anybody working in the field of maternity and anybody representing constituents who have had babies or are about to, the continuing safety of mothers and babies is absolutely paramount. I want to reassure her that these changes will provide some choice in a birthing setting for local women, who will perhaps have increased rather than decreased choice. However, what will be important is that the SHA takes full account of the impact.

My hon. Friend the Member for Hastings and Rye (Amber Rudd) also detailed some of the issues surrounding the reconfiguration for the Conquest hospital, on which I know she has campaigned. She also raised the issue of the impact on vulnerable people. At times like these, it is extremely important that we remember that there are people out there who do not necessarily get good representation and who rely on their local Members of Parliament to provide that for them. The needs of the vulnerable are critical. I fully understand that these issues arouse strong feelings.

I again congratulate my four hon. Friends who have spoken in this debate on representing their constituents so well. These decisions involve finely based judgments around how available resources should be used to achieve the best possible care for patients. I applaud the determination of my hon. Friend the Member for Maidstone and The Weald to campaign for the best maternity services, and indeed all hospital services, for her constituents. I reassure her that it is a commitment that I share.

1.23 pm

Sitting suspended.

Police Commissioners (Wales)

1.30 pm

Jessica Morden (Newport East) (Lab): Thank you for the chance to have this debate, Mr Walker. I am grateful to other hon. Members from Wales for coming along.

Few issues exercise my constituents more than crime, and I am sure we all agree that policing is far too important for us to get it wrong. That is why I am grateful for the opportunity to have this debate and to question the Minister. I say that not least because the Home Office consultation "Policing in the 21st century: reconnecting police and the people" lasted only eight weeks, which is less than the 12 weeks set out in the Cabinet Office guidelines. The consultation was also done over the summer holiday period, thereby restricting consultation on this hugely important issue before the Police Reform and Social Responsibility Bill begins its progress.

With any new proposal on law and order, we all ask ourselves the fundamental question whether it will allow us to work better together to cut crime. The proposal for directly elected police commissioners will not do that, and it is a costly diversion. The proposal to remove police authorities and to replace them with directly elected police commissioners is opposed by the Local Government Association, the Association of Chief Police Officers, the Association of Police Authorities and, according to some reports, many Tory and Liberal Democrat councillors—not least councillors, and indeed magistrates, who have given police authorities valuable service. We then realise that there are serious concerns about the Government's proposal, and they need addressing.

Those councillors, myself and other Opposition Members feel that the proposal has the potential to politicise policing, to impinge on the availability of funding for front-line police services, to be unrepresentative of the community and to go against the coalition's desire for localism. If we set those concerns against the backdrop of the belief that the proposal would be hard to reverse once it had been implemented, we start to fear that it could damage the future of policing.

Mr Wayne David (Caerphilly) (Lab): Is my hon. Friend aware of any evidence at all of a public appetite for such a change?

Jessica Morden: I thank my hon. Friend for his intervention. I am not aware of any public appetite. I was about to say that, like all hon. Members, I have frequent conversations with constituents about crime, antisocial behaviour and policing, and I have yet to encounter a clamour in my constituency for an elected police commissioner. My constituents want more police out on the beat preventing crime; the last thing they want is another politician. That is what the previous Government understood when they consulted. Although the present system is not perfect, substantial progress was made, and crime is down. It is no coincidence that there are now more police and police community support officers. Following on from my hon. Friend's intervention, I would be grateful if the Minister could provide evidence of the appetite for change.

I am at a loss to know why the Government's policy is being prioritised when forces are facing one of the most challenging times financially because of the coalition's cuts. Surely, the priority is to keep as many police on the beat as possible. Will the Minister give me a breakdown of the cost of his proposals, because Ministers have not addressed the issue in any forum that I have attended? In a recent answer, the Under-Secretary of State for Wales told me that electing police commissioners and the new crime and police panels would cost not a penny more than the existing police authorities, which is clearly not the case. The LGA estimates that the elections could cost as much as £54 million. Today, the president of the Police Superintendents Association of England and Wales has said that crime and antisocial behaviour might increase with the cuts, particularly if the police have to reduce the number of officers because of the spending cuts. Can we really afford the proposed change?

If we take into account the cost of running the elections, the salary of the commissioner—it is a powerful role, which will presumably require substantial remuneration—the cost of his or her advisers, the administrative support, and the cost of the police and crime panel and its administrators, we have to ask whether the Government have made any estimate of the costs.

Chris Evans (Islwyn) (Lab/Co-op): Does my hon. Friend agree that only a political party would be able to fund a campaign to elect a police commissioner? We would therefore have the madness of people voting for their Labour or Conservative candidate for police commissioner.

Jessica Morden: I very much agree, and I will come to that later. My hon. Friend makes the point very well.

In Gwent, the police authority costs just 0.6% of the total policing budget for each year. Can the Minister confirm that the running costs and the elections for the new system will not cost a penny more than that? The chair of the Devon and Cornwall police authority, who is a former returning officer, claims that elections alone will cost £1.9 million in his part of the world, which is £350,000 more than the existing police authority's annual budget, or the equivalent of 50 police officers. No details of the costs have been forthcoming, so could the Minister address the issue and enlighten us?

My experience as an MP working with my local force and police authority, which are very proactive and accessible to the public, is that they are open to change and would certainly welcome debate with the Government on improving the current structure. They know better than anyone the current system's strengths and weaknesses, and it is unbelievable that the Government are determined to throw away all the knowledge, expertise and experience that police authorities have acquired over the years. Given the financial constraints, why not just work with them to improve the system that we have?

The coalition seems to base its argument for elected commissioners on a survey that shows that only a small percentage of the public know about police authorities, but some Welsh police authority surveys undertaken over recent months seem to show otherwise. Will the Minister look at those surveys and the evidence that they have collected before becoming welded to this policy?

The Home Office consultation document indicates that the Government want candidates to come from a wide range of backgrounds, because they believe that the current system does not allow for that. That is bizarre, considering that one strength of the current

system is the diversity of representation. For example, Gwent police authority is an independent organisation made up of 17 local representatives—councillors and independents—who hold the chief to account. The nine councillors come from the five unitary authorities, so each council is represented. The allocation of the nine council representatives reflects the actual votes cast by the electorate, so there is true political proportionality. As we all know, and as my hon. Friend the Member for Islwyn (Chris Evans) said, candidates from political parties, wealthy individuals and single-issue campaigners are most likely to mount the most serious election campaigns. That raises the question of why the Government want to replace a system characterised by greater accountability and diversity with the new proposed model, particularly when they will semi-duplicate that system anyway by setting up smaller crime and police panels.

The consultation document proposes the introduction of police and crime panels, but is the Minister happy that they have the right balance of powers and responsibilities to provide robust checks and balances in respect of police commissioners? Will they be strong enough to scrutinise and hold a commissioner to account, bearing in mind that the commissioner will set the budget and the precept, appoint the chief and set the force's strategic direction? I am concerned that the police and crime panel will lack any teeth and will, in reality, have little say over the decisions made by the commissioner.

That leads me to one of the most worrying aspects of the Government's proposal. There is a danger that the commissioner will focus on short-term populist measures and priorities and not have proper and responsible regard for the bigger picture now and in the longer term. For example, the four police authorities in Wales, together with their chief constables, are acknowledged leaders in working together to tackle extremism and serious organised crime, and that is a hidden service to the electorate. If a commissioner, who will always have an eye on the next election, is publicly elected with the mandate of bringing in an additional 200 police officers but the chief constable wants to use those resources to tackle organised crime, who would win? With each force having a commissioner, where is the incentive for cross-force collaboration? Does the Minister agree that it would be hugely dangerous if the productive and effective work done by Welsh forces, and the hidden services that they provide, were put in jeopardy?

In view of the number of elections in Wales—next year, we will have three all-out elections, two of which will be on the same day—is the Minister worried about low turnouts and the very real threat of leaving the door open to candidates who might have more extreme views? I would be interested to hear what he estimates the turnouts for those elections will be and whether he has had discussions on the issue with the Electoral Commission.

Mr David: An important principle of policing in this country has been the need to establish a consensus about policing priorities, and the need for democratic accountability and responsibility. Is my hon. Friend aware of any consultations that the Government have carried out with the Welsh Assembly Government? We could say that policing is a non-devolved matter, but increasingly we see policing measures in effect being, in part at least, the responsibility of the Welsh Assembly Government. We therefore need to ensure that we are all pulling in one direction. Has there been any such consultation?

Jessica Morden: My hon. Friend makes a very good point. The proposals will have very different effects on Wales and England. As the Minister is aware, the Welsh Assembly Government have direct responsibility for community safety matters, which results in the police in Wales working to different policy agendas from those in forces in England. I, too, would be grateful to hear what discussions the Minster has had with the Welsh Assembly Government about the proposals, and what their opinion on them is. Has he also taken into account the possible advancement of the devolved settlement? Finally, does he also plan to hold the election for directly elected commissioners on the same day as the local government elections in 2012, and has he discussed that with the Welsh Assembly Government?

To conclude, I have struggled to find anyone in Wales with any enthusiasm at all for the policy. The *Western Mail* has suggested that police authorities could be strengthened rather than abolished—a view that I share—because they represent a diversity of opinion, through several members, rather than one elected person with the power to wield a P45. The Welsh Local Government Association has called the idea half-baked, and has stated that it is a retrograde step, and that police and crime commissioners would be hugely damaging. The idea was rejected by the previous Government and there is no demand for change, I believe, from the public. The public care about front-line policing and our view is, "If it ain't broke, don't fix it": why not work with the current police authorities to improve the system we have, saving money and using the authorities' expertise?

1.41 pm

The Minister for Policing and Criminal Justice (Nick Herbert): It is a pleasure to see you presiding over us today, Mr Walker. I congratulate the hon. Member for Newport East (Jessica Morden) on securing the debate, and on the clear passion with which she has put her case. I disagree, however, with almost everything that she said. I am sure that this topic will be the subject of considerable debate over the coming weeks and months, not least when the Government bring forward the legislation that will provide for the introduction of directly elected police and crime commissioners as a replacement for police authorities.

I will try to take both the hon. Lady's points and those raised by other hon. Members in turn. First, the hon. Lady suggested that the consultation period was only eight weeks rather than 12. In the run-up to the formal consultation period, the Government, and I, did extensive pre-consultation with stakeholders, including police authorities and police chiefs. We have been anxious right from the beginning to discuss the matter with stakeholders, but we are also anxious to ensure that we introduce the Bill in time, and secure its safe passage so that we can hold elections in 2012.

Geraint Davies (Swansea West) (Lab/Co-op): I have also been taking soundings, from Mark Mathias, the chief superintendent for Swansea. As my constituency is in Swansea, I shall be neutral and use Cardiff as an

[Geraint Davies]

example. In a middle-class area, such as Heath, voter turnout is very high, but in the Ely area, where there is a lot of crime, voter participation is very low, and there is a concern that there will be a tendency for the person running for office to say, "Let's do antisocial behaviour in a middle-class area and deploy the resources there, because that's where the votes are, and not do so much activity in the poorer area." The output, other than the loss of the money to run the democratic process—£50 million, I think, across the UK—is that the money that is left, which is being reduced, will be targeted in the area of least operational need. Does the Minister not think that that is an inherent problem of the whole system?

Nick Herbert: I do not agree. We live in the age of transparency, and the decisions of people in elected office are rightly subjected to intense public scrutiny. Those of us who are elected to any public office have a responsibility to represent all the people we are elected to represent. I am sure that the hon. Gentleman and I would agree on that in relation to our own constituencies—that we must include the people who did not vote for us, and people from all sorts of backgrounds and different parts of the constituency. That is our obligation.

One thing that I will come on to is the experience of the Mayor of London. He represents a very large number of people. The enhanced visibility and accountability of that elected office has been a good thing, and it has broadly been welcomed by Londoners. I am sure that the Mayor has an acute sense of his responsibility to represent people in all sections of the community in relation to policing, and to hold the police to account. I do not, therefore, accept the hon. Gentleman's premise.

Chris Evans: I shall also use the example of the Mayor of London. Does the Minister agree that that is a political appointment? The concern expressed when I have spoken to the Gwent police authority is that the police force is being politicised. Politics does not have a role in modern-day policing.

Nick Herbert: I absolutely disagree. There are elected members of police authorities from all parties, and the chairman of a police authority can represent a party or be independent. I do not believe that the experience in London suggests that the Metropolitan police has become, in any way politicised. Were that to be suggested to the Metropolitan Police Commissioner, or to his staff, he would absolutely reject it. We need to ensure that the operational independence of the police is fully safeguarded, and the Association of Chief Police Officers is rightly concerned that it be protected. Of course, decisions were taken by the newly elected Mayor that resulted in the previous commissioner resigning, but I do not believe that that amounted to any kind of politicisation in the party sense.

Geraint Davies: There is an issue of geography, of making comparisons with London. We understand that London is one place—it is a metropolis. In south Wales, the perception of people in Swansea—if I may, representing Swansea West—is that the chief of police there is well integrated with local political stakeholders, including councillors, Assembly Members and MPs, and the worry is that with a ballot we would end up with a commissioner in Cardiff. We would become Cardiff-centric and, as I have already said, there would also be a propensity to be middle-class focused. All those things are beginning to take away to some other place the accountability of the police and their sensitivity to local problems. The problems of south Wales are very different from the problems of London, which is one place. Rather than getting closer to the people we would become more isolated, with decisions being made by middle-class people in Cardiff.

Nick Herbert: Again, I disagree with the hon. Gentleman. The chief constable has to represent the force and cover the whole area concerned. He succeeds in doing that, so why should not the elected individual who holds him to account? We are, of course, proposing the introduction of police and crime panels that draw on locally elected councillors to ensure that the local authorities in the police force's area have representation in holding the commissioner to account, and independence as well. That will be one way of ensuring that voices within the whole police area are heard.

I will now continue to address the points made by the hon. Member for Newport East. I have talked about the consultation period and the fact that we conducted extensive pre-consultation ahead of the formal consultation period. Even those who would disagree with us about the proposals, such as the Association of Police Authorities, would, I am sure, agree that we have been very ready to talk to them about the detail of all this and to consult widely.

Mr David: Will the Minister give way?

Nick Herbert: Yes, but I am being left with little time in which to respond to these important points.

Mr David: The Minister is being very generous. On the issue of consultation, has there been any with the Welsh Assembly Government?

Nick Herbert: Yes, and I will come to that. There certainly has been consultation, and it is important that there should be.

The hon. Member for Newport East suggested that the idea of police and crime commissioners is opposed by a wide range of people, including the Association of Chief Police Officers. Actually, it is noticeable that it does not oppose the introduction of commissioners outright; it rightly expresses its concerns about operational independence. Nor, even, is the Association of Police Authorities—although it does not support the proposal—mounting a great campaign against the change. I think there is recognition that it makes sense to work with the Government to ensure that the design of the proposals will be right. That is a sensible way forward. The Government, after all, have a mandate in this respect. Both the Conservative party and the Liberal Democrats stood on a platform of reform of police authorities. The Conservative party wanted to introduce a directly elected individual; that was in our manifesto. The Liberal Democrats wanted to introduce direct elections to police authorities. Therefore we have a joint mandate and the proposal is part of the coalition agreement. Our views were very clear and formed part of the manifesto that we put to the country. We are entitled therefore to introduce the Bill and proceed with the policy.

Geraint Davies: Will the Minister give way?

Nick Herbert: I want to press on, if the hon. Gentleman will forgive me.

Concerns have been expressed about politicisation of the police. I reject them, for the reasons I set out. We need to maintain the operational independence of policing, but as I said to the hon. Member for Caerphilly (Mr David) in debate last week, on the Floor of the House, someone has to hold the police to account. In my view that should be an elected politician. We cannot have the police answering to no one. Therefore what we are discussing is simply the nature of that accountability; but politicians will be involved in one way or another.

Other concerns were raised about extremism, and that is a familiar refrain. Again, I pointed out on the Floor of the House last week that the British National party secured 2% of the vote in the general election that we have all just fought. I do not believe that it is realistic, given the nature of the electoral system that we propose, to believe that such extremists would secure the general public's support as police and crime commissioners. We are happy to trust the public about that.

Chris Evans: I thank the Minister for giving way, as I know that time is of the essence. If an extremist should be elected, would there be a mechanism to remove that person?

Nick Herbert: We are setting in place a range of checks and balances in the consultation document; they will govern the activities of police and crime commissioners. Specific proposals will relate to recall, and so on, when there is wrongdoing. However, it is up to the general public to decide who they want to elect. As democrats we should trust the people. We go down a dangerous road if we start to prescribe who may or may not stand for public office.

Jessica Morden: Will the Minister give way?

Nick Herbert: I shall give way on this point, but I repeat that interventions are leaving me little time to respond.

Jessica Morden: In view of the sensitive information that a police commissioner might be privy to, is the Minister saying that there would be no checks at all before a candidate put themselves forward for election, or was successful?

Nick Herbert: Perhaps the hon. Lady could tell me what checks are placed on politicians elected to this House when they assume high office. That is not the basis on which we work. We have a system of public scrutiny but we trust the people to elect to office the politicians they prefer. In relation to the hon. Lady's contention about the appetite for change, I believe that there is a strong appetite for the police to be connected with communities, and to be visible and available. We live in the age of accountability and transparency, when people expect public bodies to answer for their performance. The problem with police authorities is that they are relatively weak and to be invisible bodies. The public do not, in the main, know who they are. Creating a single point of accountability, so that a single individual holds the police to account, will hugely enhance accountability. We saw that in London: through the persona of the Mayor, albeit that he delegates decisions to his deputy, people feel that he has a responsibility for London's policing. That has broadly been welcomed, and I believe there will be a very beneficial effect on policing.

The proposal is an important part of the exchange we want to effect: we want to reduce the degree of central direction of the police that has accrued in recent years, as police forces have been subjected to increasing interference from the Home Secretary and the Government. In my view, the old, tripartite arrangement of a balance between the chief constable, the police authority—representing the local—and the Government or centre, has been distorted. Our proposal is an important reform, which will enable us to reduce central interference, target and central direction, while ensuring that the police are properly held to account, in this case by their communities. It is important to understand that that is the exchange that is proposed. I do not believe that we could cut back on all the central direction while leaving police authorities in their current form. They would not be strong or visible enough to hold the police to account and we would find that the police were not answering to anyone. That would not be acceptable to any of us.

As to the hon. Lady's point about costs, it is true, as my hon. Friend the Minister with responsibility for this matter said, I think last week, that we intend that the reforms—the introduction of both police and crime panels and police and crime commissioner—should not cost more than existing police authorities. That is the last thing that any of us would want in the current age, when resources are tight. There will, however, be a cost in relation to the elections, which will be held every four years. Those of us who propose the change must accept that; there is a price to democracy and that will be budgeted for separately. We shall set out the costs when we launch the proposals. There will be a full assessment of the cost when we introduce the Bill. However, we must secure the design of the proposals before we can set out the costs; that is what the consultation is about.

I do not accept any of the contentions that have been made, either in this place or outside it, that the restraints on spending that will necessarily have to be imposed overall on policing will result in an increase in crime. Indeed, those who contend that they will do so are unwise; I doubt whether there is any academic evidence to suggest such a link.

I have already addressed the matter of diversity—

Geraint Davies *rose*—

Nick Herbert: No, I am not going to give way any further. I have only four minutes in which to complete what I want to say, and I have some important points.

Police and crime panels will play an important role in ensuring that there is diversity. As to collaboration, we are placing duties on the police and crime commissioners to ensure that such collaboration as has happened in Wales can be extended. Crimes cross force boundaries and collaboration is necessary to deal with serious and organised crime, and to drive down cost. We want to ensure that such collaboration can continue.

The hon. Member for Caerphilly made an important point about the specific position of Wales and the Welsh Assembly Government. We have made it clear

[Nick Herbert]

that we shall work closely with the Welsh Assembly Government to ensure that the framework within which commissioners operate reflects and respects the devolved responsibilities. I visited Cardiff as the recess began in the summer, to have discussions with officials and to consult police authorities and police chiefs. Officials have maintained a dialogue with officials from the Welsh Assembly Government about all those matters. We were not able to meet Ministers at the time. I have spoken to them on the telephone, but we—my right hon. Friend the Home Secretary and I—plan to meet them in a short time to make sure that the consultation takes place.

I assure hon. Members that, whatever our differences on this matter, we intend to respect the devolved arrangements in Wales. That is particularly important with respect to those areas that are the responsibility of the Welsh Assembly Government, essentially relating to areas in which the police and crime commissioner will have a role. That includes community safety partnerships, which at present answer to the Welsh Assembly Government. We must get the design right for Wales, consult properly in Wales, and, where appropriate, secure the agreement of the Welsh Assembly to the proposals. We intend to proceed on that basis.

We want to introduce the reform and to include Wales. It is a reserved matter but we want the design fully to reflect the position in Wales. I am confident that the reforms will improve policing in Wales and rebuild the bridge between the police and the public, and that we shall continue to ensure that police officers are out in the streets doing the job that people want them to do, preventing crime and tackling it where it occurs. Our whole purpose is to improve policing and ensure that that essential public service is shaped to withstand the challenges of the future.

2 pm

Sitting adjourned without Question put (Standing Order No. 10(11)).

Westminster Hall

Wednesday 15 September 2010

[MR PETER BONE *in the Chair*]

Criminal Bar (Public Funding)

Motion made, and Question proposed, That the sitting be now adjourned.—*(Jeremy Wright.)*

9.30 am

Mr Geoffrey Cox (Torridge and West Devon) (Con): It is a great pleasure to see you preside over this debate, Mr Bone. I am pleased to have secured a debate on such a topical and important subject, and to be able to welcome the Under-Secretary of State for Justice, my hon. Friend the Member for Huntingdon (Mr Djanogly) to his position. It is my first opportunity to do so in this Chamber, and I hope that he is enjoying the multifarious complexities of the task with which he has been entrusted, because it is an unenviable one. In many respects, he inherits an unfortunate and complicated history, and it is one through which he will no doubt tread with a combination of charm, urbanity and skill. Certainly, he will need all three.

I should declare an interest here. For the last 28 years, I have made my living at the Bar, a large part of which has been at the criminal Bar. Therefore, it is right for me to declare at the outset of this debate a strong financial personal interest. It was that interest that has caused me, over the past few years, to hesitate long and hard before bringing to the Floor of the House any issue to do with the professional structure or remuneration of the profession of which I have been a member for so long. It is precisely because of the gravity of the current situation and the need for a voice to be raised in defence of what are often minority, quiet and civilised professional values—they lack a voice in the discussions of the House—that I decided to overcome my hesitation. Given that I have been contacted by many members of the Bar and that I head my own chambers in Lincoln's Inn fields, I can say that I am conscious of the interests of many junior and young barristers who are affected by the current predicament with which the criminal Bar is faced, and with those qualifications and caveats, I felt that it was right to bring such issues to the House's attention.

At the heart of the criminal justice system is the professional exercise of the art of advocacy. The efficient conduct of cases in the courts is the essential pivot around which revolves the entire administration of justice. Incompetence and poor quality in the representation of prosecution or defence will inevitably lead to the failure of justice, prolonged delays, aborted trials, appeals and much greater cost. I hope that the Minister and I will at least agree on that important statement. It goes without saying that the heart of the criminal courts in our system is the adversarial combat between advocates on either side. If that combat is conducted with expedition, skill, relevance and a strict fidelity to the relevant issues in a case, it assists the judiciary to make its decisions. The judiciary knows that, which is why it has a direct interest and a powerful voice on behalf of the quality of advocacy in our courts.

The criminal Bar is the profession of specialist advocates in the criminal courts. It has a long and proud tradition. Its codes and professional atmosphere are exacting and competitive. It upholds high standards, celebrates and seeks to emulate the examples of luminaries of the past and present. Those include names who have bestridden the parliamentary stage in ages gone by, including Carson, Smith, Hastings, Marshall Hall, Peter Rawlinson and—I dare to add a name of which I am particularly fond—Marshall-Andrews.

A strong emphasis on ethical conduct is instilled into the novice barrister from his earliest experience. On the consistent reliability of such standards of moral integrity and of skill in the efficient dispatch of cases rests the trust of the judiciary, which knows that the accuracy and justice of its decisions are substantially dependent on the quality of those who represent Crown and accused. It is largely from their senior ranks that the judiciary are drawn.

Furthermore, the availability of an independent, fearless and professional cadre of advocates, who are obliged under the rules of their profession to take up a case regardless of the unpopularity of the cause or the power of the opponent, is a vital constitutional protection of the individual. It is by the efforts of such men and women in seminal cases throughout the years that many of the rights that we take for granted today were first established. No dictatorship or tyranny can long tolerate the existence of such a profession. Therefore, the continuing vigorous existence of the criminal Bar is a potent public good. I am afraid to say that the previous Government in their language and conduct did not appear to recognise that. It is important to many in this House that this Government—I dare to say our Government—recognise the value to the public interest of the criminal Bar and its professional values.

If this debate—I look at the Minister directly here—could elicit from the Minister a firm statement in support of the value of the criminal Bar and its professional values, it would have done some good. It would give enormous encouragement to many hundreds of junior barristers and others to believe that this Government were going to restore to pride of place in their considerations of the criminal justice system a respect and understanding of professional values.

For 20 years now, the Bar has been joined in the practice of advocacy in the higher courts by solicitor-advocates. A previous Conservative Government accepted the argument that the public should have the choice not to be represented by a barrister. I do not believe that the criminal Bar as a whole was, at the time, particularly resistant to that innovation. The view was held, and I agreed with it, that provided the criminal Bar occupied a level playing field it would, by virtue of its specialisation and standards of training and skill, be able to hold its own. Few believed back then that many solicitors in busy litigation practices would have the time or the inclination to visit the courts, and for some time that is how it proved.

However, that is no longer the case. For good or ill, higher courts advocates are now established and increasingly a prevalent feature of the criminal courts. As pressure on the available rewards have increased in other areas, the lure of the advocacy fee has been impossible to resist. The solicitor occupies the shop window. He is also the contractor with the Legal Services Commission

[Mr Geoffrey Cox]

for the provision of legal services. If a barrister is to be engaged, it is he who must refer the case. Traditionally he has done so by seeking out barristers whose reputations and proven records have staked a claim to his attention.

However, the solicitor's position in the high street and in the police station means that he is able if he wishes to do so—and why should he not wish to do so?—to represent his firm's client from the inception of criminal proceedings through to their end. If he is unable to manage all the case load that his practice brings him, he is now able to return some of it to another solicitor-advocate, who, as I understand it, can often be expected to split the fee and to return the favour some time later. In an age of decreasing margins, these are attractive options. Thus, the criminal Bar is being gradually stranded by a steadily withdrawing tide of work.

At the same time, the criminal Bar has sustained a consistent and dramatic reduction in the rates of legal aid for advocacy in criminal cases. Very few citizens are able to bear the cost of a serious criminal trial. However, the last Government made legal aid available without means-testing to anyone charged with a sufficiently serious offence. That was no doubt an attempt to control the costs recovered by a defendant in the event of acquittal and the costs of the bureaucracy associated with the assessment of means. However, it brought about some startling results, such as the sight of MPs being granted legal aid for expenses abuse cases and the sight of millionaires being represented on public funds. It also meant that the last Government in effect took predominant control of the market, making individuals less likely to pay for their own representation while simultaneously taking an axe to the remuneration.

I ask the Minister if he accepts that the rates of remuneration of the criminal Bar have been severely reduced; I hope that he does. In the course of my speech, I intend to ask him a number of questions, to which the answers would be welcome.

Let me give some examples of how the rates of remuneration of the criminal Bar have been severely reduced. For the most complex very-high-costs cases that are more than 60 days in length, the rates of remuneration have been actually reduced—not in real terms, but in actual terms, in the sense that these are headline figures and, therefore, have been cut by up to 20% since 2004. This year, according to the Ministry of Justice's own figures, remuneration for cases of between 40 and 60 days has been reduced by 39.5%. On any view, those are extraordinary reductions. A barrister in a complex case can now be working for between 20% and 39.5% less than he was either in 2004 or in 2009.

Finally, on the very day that the House dissolved, 6 April, the statutory instrument was laid, amid rumours that civil servants were being bussed in at weekends to complete the processes, that enacted a further cut of 13.5% across the board in remuneration over the next three years. Another 13.5% was simply wiped out from the margins that criminal barristers are able to earn.

On any view, those examples, which are typical of the general trend of the last seven years, represent a severe contraction of public funding for the criminal Bar. The combined effect of all these developments has been to cause a crisis of confidence in the profession; I do not believe it to be an exaggeration to describe it as that.

The criminal Bar knows that it cannot expect special treatment and in the current financial climate it knows that it has no right to ask for such treatment. However, I believe that the present Government must take into account this recent history in responding to the imperative need to curtail public expenditure in the next few years. If the criminal Bar is to survive, with the powerful public interest that it represents, the Bar, the Law Society and the Government must be prepared to work together to rectify some of the competitive disadvantages, imbalances and unintended consequences that have resulted from recent changes.

My hon. Friend the Minister will know that the leadership of the Bar has been active in promoting imaginative—even radical—ideas to help to resolve these problems. For example, it has set up a working group to find and suggest to the Government savings in the criminal legal aid budget. These savings include those that would accrue from the lifting of the present rule that prevents the use of funds restrained pending trial, under the Proceeds of Crime Act 2002, from being used to finance the legal costs of a trial. I strongly commend to the Minister that modest proposal.

However, by far the most significant proposal is for members of the Bar to form companies, which would be given the unwieldy working title of Procure Cos. Those companies would become direct contractors with the Legal Services Commission for the commissioning of legal services. This idea does not meet with universal accord within the profession. It is revolutionary in its ramifications. These new entities, which would be controlled by barristers, would commission solicitors to carry out legal work for the first time, thus standing on its head the traditional, centuries-old arrangement.

It is not at all clear how such a system would operate. At the moment, an advocate at the criminal Bar is retained in a competitive market, in which professional ability is at least a factor in his selection. Even where the barrister is unknown to the solicitor, the latter will have received an account from the barrister's clerk of the barrister's strengths and recent experience and he will have been given a choice, perhaps, of one or two other barristers. The solicitor, with his professional knowledge of the case, will choose the barrister who he thinks will best suit his client.

Under the new proposal, however, the clerk in the barrister's chambers—the chambers from which the Procure Co that is run by the same barristers has agreed to commission services—will have only the accused to consult. There will be no professional intermediary. That is difficult, for all kinds of reasons, for many within the profession to contemplate.

There are further major reservations. How will the new entities set up in sufficient time the administrative and commercial infrastructure required to manage all the complex considerations that are involved both in commissioning services from other lawyers, experts and others, and in competing in a tender exercise for contracts, given that they have no established trading history on which to assess the viability of their bid, particularly if the contract is awarded on price?

However, I say to the Minister that, if these problems can be surmounted, there are clear public gains from allowing the Bar to have access to the commissioning of legal services. First, the Bar is the specialist advocacy profession. The preparation and presentation of a case

in court is the major part of the legal services that are provided in criminal litigation and yet the profession that specialises in that core service has until now been unable to participate in managing the delivery of that service. If the Bar is widely acknowledged—as it is—to be a driver of quality and exacting professional standards, there can be nothing but good in allowing it to compete. Secondly, since the cost base of the Bar is low, that will help to keep down costs.

Nevertheless, I say to the Minister that it is plain that, if the Government are interested in this idea, it is essential that the entry of the Bar into commissioning legal services is facilitated by rules that it will be able to adhere to and conditions that it will be able to fulfil from a standing start. The criteria for the awarding of contracts must attach an appropriately high priority to the quality of advocacy and the depth and range of experience in specific areas that are offered by the potential bid. To that end, the promotion of a system of quality-assured advocacy standards, with defined levels of competence, is not only inherently desirable in itself but a necessary element. Similarly the Bar must be given adequate time to prepare for such massive and fundamental change to its structure.

If the Government believe that there is merit in this idea, the Minister must soon indicate so and begin to consider a timetable for change. We know that there will be a legal Green Paper this year. Will it contain the Government's preliminary view of these proposals for new structures? What view do the Government take of the proposal to pay a single fee for a case without the ring-fencing of the advocacy element within it? As the Minister knows, that alone could dramatically increase the competitive imbalance that I have described.

When will the criteria for the new tender for contracts be set out? What will the Government learn from the recent civil family tender? I understand that a serious problem has arisen from exaggerated overbidding. Some solicitors have applied for contracts far beyond their capacity to cope with; others have been careful to apply only for what they do well. The Ministry scaled down the bids across the board, leaving some well-established firms of good reputation in the field with nothing. How will the Minister prevent such mischief from happening again?

The last Government proposed a draconian reduction in the number of solicitors' firms able to offer legal services in the criminal courts. I do not hesitate to say to the Minister that although I understand the advantage of having fewer contractors, those considerations must be tempered by a realistic awareness of the damage such an unmitigated approach will do. I hope that the new Government, whom I am proud to support, will measure the impact of their reforms carefully and calibrate them according to clear and transparent principles and criteria. Those must include, above all, a high if not decisive regard for professional quality and skill in both sides of the profession and a clear commitment to entities with proven merit and track records in the provision of legal services in the criminal courts.

I conclude with four critical questions. First, will the Minister assert the Government's belief in the value of the independent referral criminal Bar as a professional source of essential expertise and quality in the provision of advocacy in the criminal courts? Secondly, will he accept that the criminal Bar has already sustained recent, substantial and even severe cuts in remuneration and that it should not, as a result, have to sustain a disproportionate burden as a result of additional measures of that kind? Thirdly, will he accept that the Bar must be afforded adequate time to adapt its systems and administration before the introduction of the new round of tendering for legal aid contracts?

Mr David Hanson (Delyn) (Lab): The hon. and learned Gentleman says that he wishes funding for the profession to be safeguarded. Given that the comprehensive spending review for the Ministry of Justice proposes a £2 billion cut in its £9 billion budget, where does he think that should fall—prisons, probation, sentencing or other issues? Or does he oppose the Government's CSR proposals for the Ministry of Justice?

Mr Cox: I recognise that the Government must find £2 billion out of a budget of £9 billion, but I ask them to recognise that the Labour Government imposed 13.5% in cuts over the next three years, against a background of consistent reductions in remuneration over the previous seven years.

I say to the Government—I was careful to word my question as accurately as I could—that any burden sustained by the criminal Bar should be proportionate and take into account the measures already passed. I have not asked for the Bar to be excluded from the exercise of necessary retrenchment, nor does the Bar ask it. It asks for fairness and proportionality. It asks for what has gone before—recently, and as a result of the Government to which the right hon. Member for Delyn (Mr Hanson) belonged; the statutory instrument was laid on 6 April—to be taken properly into account.

Thirdly, will the Minister accept that the Bar must be afforded adequate time to adapt its systems? That is crucial, as I said, if the Bar is to enter the commissioning process. It is also important that the means of entry should be facilitated so that it can do so from a standing start.

Finally, will the Minister accept that it is fundamentally in the public interest that the Bar should be able to enter the competitive market for legal aid contracts? If so, although the profession is deeply uneasy about the revolutionary changes that it would impose, as I think he knows, the Bar and its leadership are prepared to work with him and this Government to find new structures and new savings in the criminal legal aid budget. That answers the question asked by the right hon. Member for Delyn.

I hope and believe that in partnership and amity, and above all with a respect for the professional skill, expertise, quality and values represented by the criminal Bar—a novel departure from the attitude of the past decade—solutions can be found, and the vital public interest represented by the criminal Bar can be preserved in its continuing prosperous existence.

Mr Peter Bone (in the Chair): It might be helpful for Members to know that I intend to start the winding-up speeches no later than 20 minutes to 11. Before I call Mr Turner, I remind Members that it is normal practice to be here at the start of debates.

9.55 am

Karl Turner (Kingston upon Hull East) (Lab): I apologise for being late, Mr Bone. I am afraid that public transport let me down.

[Karl Turner]

I declare an interest as a criminal lawyer. I was called to the Bar in 2005 and practised criminal law from a firm of solicitors in Hull for a number of years. Shortly before my election to the House, I was in the latter stages of pupillage at my local chambers, of which I remain a member. I hope, therefore, to bring practical experience to the debate as both a junior member of the criminal Bar and a solicitor who has practised criminal law and been heavily reliant on public funding.

In the time allowed, I hope to dispel a couple of myths. The first is that publicly funded criminal lawyers are taking excessive sums from the public purse. In my experience, the opposite is true. Colleagues at the Bar work long hours and receive modest fees for their services. In preparing for this debate, I asked a criminal solicitor in Hull, Mr Waddington of Williamsons solicitors, what a 25% cut to his criminal practice would mean to his business. It is worth mentioning that Williamsons is the biggest criminal firm providing services to my constituents. Mr Waddington described the prospect of 25% cuts as "disastrous", and greater cuts as "catastrophic".

Although no one would expect Mr Waddington to clap his hands at such a prospect, it is important to mention that he was also concerned about access to justice for the most vulnerable. As a law-abiding citizen, as he put it, he was particularly concerned about the potential effects on innocent parties in criminal proceedings, such as victims of crime and witnesses who might be subject to cross-examination by unrepresented defendants if criminal solicitors and barristers were forced to refuse instructions.

In my experience, colleagues at the criminal Bar and solicitors do not feel that the previous Government were overly generous during the past 13 years, but the cuts threatened by the new Justice Secretary and the coalition Government are likely to force them to close their doors for good.

Despite the consistent accusations of irresponsible spending, it is indisputable that the previous Labour Government streamlined and made efficiency savings, especially in criminal legal aid. As recently as March, the previous Justice Secretary, my right hon. Friend the Member for Blackburn (Mr Straw), said:

> "The Government strongly believe that there must be a significant restructuring of the provision of criminal defence services in order to achieve greater value for money from legal aid, while still ensuring fair access to justice and enabling legal aid providers to remain profitable and sustainable."—[*Official Report*, 22 March 2010; Vol. 508, c. 13WS.]

That is a crucial point. The solicitors and barristers to whom I speak are genuinely concerned about their practices and about whether they will be sustainable after £2 billion of cuts to the Ministry of Justice budget.

It is true that the Labour Government carried out significant reform of legal aid. Most prominently, Lord Carter carried out a review of legal aid procurement, a key aim of which was to reduce criminal defence rates. Those were substantially reduced—by 13.5%—but I am not saying that what happened was perfect, because I am aware of examples where injustice resulted. Cutting costs is clearly a priority for the Government, but at what cost? The Justice Secretary has confirmed that his Department will play its part in reducing public spending, but I submit that legal aid has been stretched enough. If the coalition Government try to stretch legal aid yet further, I fear it will snap.

The Labour Government recognised that legal aid could not reasonably be exempt from efficiency savings and, of course, I recognise that the criminal legal aid bill is more than £1 billion. However, I urge the Government to consider a number of issues in the comprehensive spending review. Cuts to criminal legal aid may well lead to defendants being unable to access appropriate legal representation, because criminal practitioners will decide that enough is enough, and that may compel defendants to represent themselves. That will inevitably lead to the system being clogged up, as defendants battle through what is a procedural and legal minefield. Miscarriages of justice may result from poor-quality advocacy caused by defendants representing themselves, or by the inappropriate use of inexperienced advocates, and there may also be expensive delays in court time.

Cuts to legal aid for criminal cases have already encouraged the use of employed higher court advocates, who offer less experienced representation. Speaking from my experience as a criminal solicitor and, indeed, a junior member of the Bar, I can say that there are some good-quality higher court advocates. However, the truth is that the Bar is very special. The training for it is very different, and there is no comparison between higher court advocacy and barristers. The Bar is far superior because barristers do the job all the time. Higher court advocates will waltz into a Crown court once a fortnight or once a month, but a member of the Bar is there continually.

Mr Robert Buckland (South Swindon) (Con): The hon. Gentleman makes a very powerful point about the lack of experience of higher court advocates. Would he agree that one of the absurdities of the Crown Prosecution Service's obsession with using higher court advocates is that people who are highly qualified in terms of civil service work are taken out of the system and away from the work that they should be doing in reviewing cases? That work is then delegated to often less experienced assistants within the CPS. The public sector unions frequently complain about that current fad, because it puts employees within the CPS under pressure.

Karl Turner: I am grateful for that intervention. I could not agree more with the hon. Gentleman or have put it better myself.

Criminal practitioners are still coming to terms with a number of the significant reforms introduced by the previous Government that have impacted on pay and the availability of work. In particular, the graduated fees scheme has led to solicitors keeping work in-house, rather than instructing the criminal Bar.

As I have said, there has been a real reduction in fees of 13.5% over three years. A 4.5% reduction took place this financial year, which is bound to have a significant impact. Regardless of the merits of the reforms, they have resulted in a considerable upheaval in the funding of the criminal Bar. That should be taken into account in any future review and in any decision that the Minister needs to take. Further cuts to criminal legal aid, whether to the criminal Bar or to criminal solicitors' fees, will lead to the social exclusion of the most vulnerable at a time when they are already likely to be suffering cuts in other publicly funded services, on which they rely heavily.

In conclusion, the criminal Bar plays an essential role in maintaining a fair justice system. Further cuts to legal aid will result in an unfair system, with access to justice being available only to those who are able to pay for it. That will inevitably undermine democracy and justice. Given the lack of sympathy that the electorate will have for the offender, it seems too easy to attack criminal legal aid. However, there is a real danger of taking that less politically damaging action and, in doing so, seriously undermining the very foundation of our society. I am very proud of being a member of the Bar and of the traditions of the profession, which I respectfully submit are being put at risk by the actions that I believe will be taken by the Government. I therefore urge the coalition to carefully consider those points and to resist dropping the axe on criminal legal aid and on such essential services.

10.6 am

Mr David Burrowes (Enfield, Southgate) (Con): It is a pleasure to speak under your chairmanship, Mr Bone. I congratulate my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox) on securing an important debate, in which I must declare an interest. I have been a practising solicitor, albeit infrequently, for more than 16 years and for 11 years I was involved with instructing the criminal Bar. I therefore certainly have an interest in the debate.

There is obviously the risk of being accused of special pleading for the profession, but there is no risk of winning any votes in this debate—we all know that there are few votes to be won in standing up for lawyers. I also want to declare an interest in the rule of law, which I am sure all hon. Members who have contributed will share. That subject is of interest to my constituents and to this country. Clearly, a principle of the rule of law is that it cannot exist without there being access to justice for every citizen. An independent legal profession, of which the criminal Bar is clearly a crucial component, is the foundation of that principle.

We, in this country, can be proud of our record—of our principles, of upholding the rule of law and of our legal aid record. In any legal aid debate the statistic is always mentioned that we spend more per capita—per head—than almost any other country. However, at the same time—and rightly—one must consider public services and outcomes. So what is the outcome of this expenditure on legal aid? A recent report entitled "Effective Criminal Defence in Europe" considered which jurisdiction was best at providing an effective criminal defence. It will not surprise hon. Members to learn that the jurisdiction that came out best, along with Finland, was this country. That was largely due to the source of legal aid.

Why do we have this legal aid system? It was established some 60 years ago not because we were cajoled by an international agreement or because we felt we should be subject to any European convention; it was established because we wanted to apply the principle of the rule of law. That was summed up well by the US Supreme Court Justice Hugo Black in 1965, when he said:

> "There can be no equal justice where the kind of trial a man gets depends on the amount of money he has."

An independent criminal Bar funded through the legal aid system helps—indeed, it is crucial—to uphold equal justice. What is that equal justice? It is equal justice for the innocent and the guilty, for the falsely accused who gain publicly sympathy, and for the evil criminals who command public contempt. Looking back over my 16 years in the profession, I can think of some clients for whom the public would not want a penny of public money spent, but legal aid provides it and the rule of law demands it.

It might be helpful to have some distance when making the case for the criminal defence service. The following words were written by a solicitor, Paul Booty of McCarthy Stewart Booty:

> "As far as those outside the profession are concerned, we get little sympathy, as all we do is drain the public purse 'getting off' undeserving, unemployed, drug-taking individuals on technicalities. We twist the law to our own advantage and are thoroughly unscrupulous, with no sympathy for the victims of horrendous crime. It is not surprising, therefore, that we should endure pay cuts from the government year on year; and who cares anyway, because we all drive Bentleys.
>
> The reality could not be further from the truth. We are called to the police station at any time of the day or night. Quite often we are faced with detainees who, if they are 'regulars', are extremely vulnerable individuals, often living on benefit with mental illness, depression and dependency. These people are human beings and deserve dignity and fair treatment."

And so say all of us, both those with a direct professional interest and those outside in the country.

However, although we certainly want to ensure that the system upholds dignity and respect, we also recognise, particularly in these economic times, that it cannot be immune from cuts. When looking for cashable savings in the Ministry of Justice budget, it is obvious that the legal aid budget will have to shoulder a distinct burden when cuts are made. The hon. Member for Kingston upon Hull East (Karl Turner) was too generous about the previous Government's record, particularly their legacy for the economy and for the criminal defence service, which has been cut to the bone in many areas and left with great concerns for the future. We can certainly look at how cuts can be made and at high-cost cases, and means-testing is at last coming back to play a part. There will also be proper case management, particularly in preliminary hearings, where we can be much smarter and more cost-effective.

I want to look briefly at the relationship between barristers and solicitors. It is all too easy to play off barristers and solicitors. Historically, they are complementary professions, which is one of the reasons that we have such a proud record. There are enormous strengths in both professions. In comparison to international litigation, the relationship between barristers and solicitors in the UK makes us pre-eminent as a profession. Similarly, in criminal law there is, in the main, a good relationship. The contrast between High Court advocates and the Bar has often been characterised too starkly. In the main, the improvement is helpful, but it needs to be dealt with carefully, with proper training and quality, particularly for High Court advocates.

Obviously, we need to avoid the abuse of the referral fee arrangements that sadly seems to be emerging in various areas. However, we should not pit one against the other. That is not the real threat to the independence of the legal profession and the Bar. There are opportunities in the commissioning arrangements for smaller solicitors' firms to be subcontracted by barristers and brought into the family of commissioning, where previously they could be excluded by large contracts. The big threat is in the commissioning field, where we are entering

[Mr David Burrowes]

a brave new world, and in the contracting process presently applied by the LSC. I believe that the way in which the LSC has operated in the past provides the biggest threat.

There are warnings that must be taken into account and that are already clear in the field of practice, and there are warnings in procurement processes. What has happened to family legal aid is a legacy of how the previous Government oversaw the decimation of highly skilled and committed solicitors, often with great experience of dealing with key issues and vulnerable clients carefully. Existing experience has, in many ways, been excluded from the process. The rug has been pulled from under the feet of many providers. We have been left with legal aid deserts, as we prophesised when in opposition. Poole in Dorset, with a population of 138,299, has been left with one family law solicitor to provide publicly funded work.

Providing solicitors of choice for vulnerable defendants is a matter of concern. In mental health law, those who currently provide for the most vulnerable often have expertise in dealing with vulnerable clients, but now solicitors are effectively being imposed on those clients by the LSC. In the area of administration, there was an example in July of the duty solicitor rotas being reissued twice for a six-month period. Firms were missed off the rotas, areas were put in the wrong position and a simple process led to chaos. Is that the prospect for the commissioning process for the Bar and others?

Anna Soubry (Broxtowe) (Con): Is my hon. Friend aware that across England and Wales the number of solicitors' firms is diminishing fast? In Stapleford, a town in my constituency, there is now no solicitor available to provide advice for people with real need in family circumstances. They must travel many miles into Nottingham for that advice, and they are often vulnerable, quite literally, faced with a violent partner.

Mr Burrowes: My hon. Friend makes her point well. In that context, the Minister is facing difficult decisions on funding restraints. That context is so important that I am sure he will take account of it. There is an impression that the Ministry is in chaos and that it is having to pick up the bill, but it is not the same the other way round; there is zero tolerance of any minor error when the LSC submits a bill and funding is not provided. As the Public Accounts Committee rightly concluded, the LSC lacks a grip of the basics and is ripe for reform, and I look forward to that reform being pursued by the Government.

Finally, we have to talk about money—something we do not like doing—because there is a concern about cash flow and payment. Solicitors often have to wait some time for payment, and now the goalposts have been moved by the LSC. Previously, it would step in to help if 5% of a bill was awaiting payment, but now it has moved that to 10%. That is a warning to the Bar about what happens when we get into bed with that area of commissioning.

In conclusion, it is important that we stand up for the important principles of the rule of law that underpin legal aid. We of course must cut waste and inefficiencies, which I am sure the Minister has been tasked with, look at high-cost cases and properly reform the LSC to ensure that it is fit for purpose, whatever form it takes, to deal with the new environment. Above all, we must ensure that we do not undermine the strengths of the criminal justice system and an independent legal profession accessible to all.

10.17 am

Rehman Chishti (Gillingham and Rainham) (Con): It is always a pleasure to follow my hon. Friend the Member for Enfield, Southgate (Mr Burrowes); as a young barrister it was always a pleasure to receive instructions from him in chambers. I must declare that for the past seven years I was a member of the junior Bar, practising first in London and then in-house for a firm in Kent before coming to this place.

The key point for me, having been through the system—practising, not going through the criminal justice system in another way—is that we have in our society a great belief in our liberty and freedom. The criminal justice system and the legal profession might not be perfect, but when one looks around the world one sees that it is one of the finest. It is the front-line professionals—those at the Bar, in-house barristers and High Court advocates—who ensure that people's liberty is preserved. If there is any chance that people's liberty may be put in danger, we must consider seriously, in terms of the whole concept of our society, how to preserve that liberty and freedom.

On the point about criminal legal aid and the criminal Bar, the people on the front line are those at the junior Bar. For a case in the magistrates court, it will be a member of the criminal Bar who will have to travel to the court, take instructions, give advice and, after that, pass the case on to the more experienced member, if so be, of Queen's counsel.

It was a real pleasure to listen to my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox), and I fully agreed with his eloquent speech. If there are drastic cuts in legal aid, the junior members of the Bar will be most affected. Over the past 20 years, the Bar has worked hard to ensure that it is diverse, that it is not simply people with independent means who can come to the Bar, and that people from all different backgrounds are able to come to the Bar on merit. If there are drastic cuts, there will be an element of going back 20 years, and that cannot in any way, shape or form be right.

People often equate barristers with high earnings, but there is a key difference for members of the Bar: income tax is linked to earnings. They have to pay tax on their earnings, not their receipts. Legal aid is already at difficult levels; any further reduction would mean that if there was a delay in money coming in, those who could carry on in fair weather, and who have been there for a long time, would no longer be able to do so. The taxation system must take into account the fact that members of the Bar pay tax on earnings, not receipts.

It is accepted that the monitoring and regulation work of the Legal Services Commission over the past number of years has been absolutely awful. We hear stories—and facts, such as those that are set out in the report that I have here—of lawyers being overpaid by £25 million. When the person in the street hears that, they say, "Lawyers are paid a lot." We must ensure proper regulation and monitoring of the current system, to see whether it is having an adverse effect on criminal justice, and to see how the current means-testing approach, brought in by the previous Government, is being applied.

I spoke to a practitioner on the front line—a solicitor in Kent—who said that there is a four-week delay in legal aid. Then, when the case goes to the Crown court, there could be a situation at a preliminary hearing, or a plea and case management hearing, where someone turns up without a representative, and the case has to be adjourned. Adjourning the case takes us back to a position where taxpayers' money is wasted. We are far from having an efficient, well-run and proper system, but that is what must be put into practice.

We have at present a means-tested system that leads to scenarios in which people act either pro bono or under fixed-fee rates, and they may not be of the quality or have the expertise that the independent Bar can provide. Defendants may decide that they are better off just pleading guilty because, at the end of the day, they do not have the means. That goes against our fundamental principles. If someone is innocent, they should be able to fight their case all the way. We should go back to a position that this country can be proud of, in which innocent people have the means to fight for their freedom.

I know that other hon. Members wish to come into the debate. I was taught at the Bar that brevity is a virtue, not a vice, and I am very much going to apply that advice. My hon. and learned Friend the Member for Torridge and West Devon discussed independent commissioning by the Bar, direct access, and regulatory caveats in respect of quality assurance. At this time, when there are difficulties, we must consider carefully how we can move forward and preserve the Bar's independence. That is one of the best ways, at this difficult time, to move forward and preserve the Bar's identity.

Mr Peter Bone (in the Chair): Before calling the last Back-Bench speaker, I would like to remind Members, especially the new Members here, that it is normal practice for the Chairman to be notified in advance that a Member wants to speak in a one-and-a-half-hour debate.

10.24 am

Tom Brake (Carshalton and Wallington) (LD): It is a pleasure to serve under your chairmanship, Mr Bone. I congratulate the hon. and learned Member for Torridge and West Devon (Mr Cox) on securing this debate. I shall not attempt to claim anything like the level of detailed expertise that he and other hon. Members have on this subject, nor shall I be able to defend the livelihood of the criminal Bar quite as assiduously as they have this morning. The hon. Member for Enfield, Southgate (Mr Burrowes) referred to special pleading. I am not sure whether any of what has been said this morning falls into that category. I feel that perhaps my role here is to make it clear to anyone flicking through the TV channels who stumbles across this debate that they are not actually watching a courtroom drama.

I am pleased that the coalition programme includes a fundamental review of the legal aid system. That was inevitable and unavoidable, in today's economic climate. The hon. Member for Enfield, Southgate referred to the fact that we have the most generous system of legal aid in the common-law world. Of course, we should be proud of that, if all the money is being spent well.

I acknowledge that a comparison of the costs of our legal aid system and those incurred in inquisitorial systems is not necessarily straightforward because of the differences between the two. The basic principle, which I am sure that all of us support, is that, whatever the outcome of the comprehensive spending review as it relates to the legal aid system, we should not be in a position where people are not represented in criminal cases.

There are clearly some failings in the present system. All the previous speakers expressed concerns about the level of fees. As Members will know, if 50% of the legal aid budget is being spent on 1% of the cases, it may not be that the fees are excessively high but that perhaps the cases are taking longer than is necessary—not deliberately, but perhaps there is a slight incentive to ensure that they go on longer than is totally necessary. That needs to be looked at, particularly if it means that less funding is available for less high-profile cases in which we would also want people to be properly represented.

I assume that what the Prime Minister said about senior people working in the public sector earning a multiple of no more than 20 times what the lowest-paid workers in their field receive may impose some interesting restrictions on the level of fees that might be available to barristers doing work that is funded by legal aid. I wonder whether the Minister would like to comment on that when he responds to the debate.

On another aspect that I am sure other Members are concerned about—the hon. and learned Member for Torridge and West Devon referred to the availability of legal aid in MPs' expenses cases—the name van Hoogstraten will be familiar to all Members here today. The safest thing I can say is that he is a colourful gentleman. Estimates of his fortune vary widely—hundreds of millions would probably be a safe figure to quote—yet apparently he received £1.12 million in legal aid. I do not know whether there have been changes since he received that funding that would preclude that from happening now. Very helpfully, the hon. and learned Gentleman shakes his head, which indicates that perhaps nothing has changed, and that such funding would still be available to someone who claims that they have no cash assets—Mr van Hoogstraten's assets had been frozen. We clearly have to address that.

Mr Buckland *rose—*

Tom Brake: What sort of action can we take? If a small number of complex cases ties down half the available funding for legal aid, can anything be done to shorten the process without impacting on the quality of legal advice and the handling of the case? The difficult balance between setting the fees at a publicly acceptable level, and setting them at one that ensures that there are people able and willing to advocate, needs to be found. When the Minister responds, I hope that he will clarify his view on whether the Legal Services Commission has a better idea of the costs and profits associated with legal aid cases, to which other hon. Members referred. The Minister will know that the Legal Services Commission was criticised by the Public Accounts Committee.

There are no panaceas. Some have advocated no win, no fee arrangements as a solution, but, clearly, it is unlikely that anyone would want to pursue, on that basis, cases involving the police.

Mr Buckland: I am grateful for the hon. Gentleman's analysis of the problem of funding criminal legal aid cases, but does he accept that one problem is whether it is right to make people of means who are acquitted pay for their legal representation when they emerge from the court free and not guilty? We have to grapple with that question. Ultimately, although van Hoogstraten was convicted by a jury, the Court of Appeal ordered a retrial and, for legal reasons, it was adjudged that there could be no further trial, so he is not, perhaps, the best example. We should focus on people of means who have been convicted. Finally, and I do not want to take up too much time, one problem is—

Mr Peter Bone (in the Chair): Order.

Mr Buckland: Forgive me.

Mr Peter Bone (in the Chair): It is difficult when we have a room of lawyers, but interventions are supposed to be short.

Tom Brake: May I apologise to the hon. Gentleman for not giving way earlier? I was not aware that he was rising until I caught sight of him in the corner of my eye. He makes a valid point, and I was going to come on to financial contributions and to what extent people should be willing to contribute to support their case. I am interested to hear what the Minister has to say. The hon. Gentleman is right in relation to Mr van Hoogstraten: he was eventually acquitted in the criminal case. As I understand it, however, he was found guilty in a civil case, although he has stated that he will not be handing over a single penny in relation to the outcome of that case. The hon. Gentleman has raised important points for the Minister to respond to.

On the CPS, if cases are adjourned unnecessarily, costs are incurred, and there may be scope for improving on that. Clearly, this would not assist the legal profession, but it would be interesting to hear from the Minister what success he is having in stopping cases going to court through the use of virtual courts, and the extent to which they can contribute to the process. As someone who is not legally qualified, in any shape or form, I hope that my few comments still inform today's debate, and that we hear some convincing responses from the Minister shortly.

10.34 am

Mr David Hanson (Delyn) (Lab): Thank you for calling me, Mr Bone; I share the pleasure of others in serving under your chairmanship for the first time. I congratulate the hon. and learned Member for Torridge and West Devon (Mr Cox) on securing the debate. I also congratulate my hon. Friend the Member for Kingston upon Hull East (Karl Turner) and the hon. Members for Enfield, Southgate (Mr Burrowes), for Gillingham and Rainham (Rehman Chishti) and for Carshalton and Wallington (Tom Brake) on contributing to it. It is also worth mentioning the hon. Members for Enfield North (Nick de Bois), for Broxtowe (Anna Soubry) and for South Swindon (Mr Buckland) who have sat through the debate and shown an interest in this matter, and the contribution of the Whip, the hon. Member for Kenilworth and Southam (Jeremy Wright). It shows that there is considerable interest in the matter before us.

The hon. and learned Member for Torridge and West Devon began by saying that the art of advocacy was key to his profession. I declare a non-interest in that I am not a barrister and never have been. Today, I am undertaking the art of advocacy on behalf of my noble Friend Lord Bach, who was the Minister in the Department responsible for these matters, and obviously cannot speak here today and defend the previous Government's record. Prior to the election I had responsibility for prisons, probation and, latterly, the police, so I contributed to the work of the Bar in that role. I hope we can discuss some of the key issues that the hon. and learned Gentleman raised and hear some of the solutions that the new Government wish to bring forward.

I begin by, in a sense, disagreeing with the hon. and learned Gentleman in what I hope is a positive, constructive and amiable way. The previous Government did recognise that the Bar and the criminal Bar have an important role in our democratic society. I wish to place on the record the fact that the right to a fair trial and representation is essential in a democratic society, because it is just as much a part of our democratic process as this House and this debate today. As my hon. Friend the Member for Kingston upon Hull East also recognises, there are challenges in that role that demand skills, professionalism and the support of Government, not only to achieve independence, but to recognise and value the profession as a whole. I hope that there will be common ground on that, whatever our political differences on other issues.

Mr Cox: I hope hon. Members understand that the, perhaps, acerbity with which I referred to the previous Government's record was coloured by remarks from successive Home Secretaries about bent briefs and lawyers who tried too hard. In the light of the extremely enlightened comments that the right hon. Gentleman has just made, I am sure he will agree that those were unfortunate remarks, which gave the profession the belief that its values were not shared by the then Government.

Mr Hanson: I said what I said, and I hope the hon. and learned Gentleman recognises that I know the Bar has a valuable role and that it serves a full position in our democratic society.

The previous Government had to look at the difficult decisions that we faced in terms of the potential deficit, which we are now challenged to look at across the board, and at how we find efficiencies in the way in which we support the legal aid system financially. My noble Friend Lord Bach, as Minister before the election, tackled that issue head-on. The hon. and learned Gentleman referred to the notice and order issued on 6 April, before the dissolution of Parliament, which placed on record some decisions that we had to take.

In 2008-09, £2.1 billion was spent on legal aid between the criminal and civil budgets; that is an important amount of resource. It is important work and it is vital that we recognise that legal aid is essential, as is the advocacy role, in developing a civilised society. People depend on legal aid for access to representation in both criminal and civil cases, particularly those who have difficult legal problems, particularly in times of economic hardship. Legal aid practitioners provide a fantastic service and should be paid accordingly. As the previous Government recognised, there are issues with how we rebalance the funding, identify the best efficiencies and run the system in the future, and the Minister will have to face those challenges.

We have seen a huge increase in the legal aid budget from £545 million in 1982-83 to £2.1 billion in 2008-09, which is an average increase of 5.3% a year. The previous Government believed that that was unsustainable, as I believe the current Government will.

Mr Burrowes: The figures for the legal aid budget show that it has increased, but is it not important to break them down to show where there have been increases? For example, the criminal legal aid budget in the lower courts is under control, and indeed savings are being made, which is unique in recent years.

Mr Hanson: I accept what the hon. Gentleman said. I was coming to the fact that at the moment the criminal legal aid budget is about £1.1 billion of the £2 billion, and that the civil and family legal aid budget is around £900 million. What has happened over the years—this is why Lord Bach made his decision when he was the Minister—is that the criminal law side of the legal aid budget was beginning to eat into the resources available for the civil and family legal aid budget.

Mr Cox: Will the right hon. Gentleman give way?

Mr Hanson: I want to give the Minister time to respond, but I will give way for the last time.

Mr Cox: Does the right hon. Gentleman think that the fact that the statute book is now replete with another 3,000 criminal offences, which have been created since 1997, might have something to do with expansion of the legal aid budget?

Mr Hanson: There are cases to be made for all sorts of things. The fact that crime fell by 36% might have something to do with some of the issues that we brought forward over the past 13 years, but such matters are for a wider debate in due course.

We had to consider how to make savings on that budget, and the hon. and learned Gentleman mentioned his concern that we made cuts of around 4.5% a year for the following three years, including this year, which totalled about 13.5%, in advocates' graduated fees, coupled with extending those fees to cases due to last up to 60 days. We had a choice, and Lord Bach could have taken that hit in one go—proposals were before him to make a drastic cut of 17.9% immediately—but we chose to phase that in over three years as part of the savings that we knew we had to make in the Ministry to ensure that we met the coming CSR obligations. The Minister will surely face similar obligations, perhaps with the increasing difficulty of a further £2 billion of savings in his Ministry's budget if we believe what the Lord Chancellor and other hon. Members have said. My hon. Friend the Member for Kingston upon Hull East said that that would be very difficult for the Ministry and the people who depend on legal aid, particularly if further cuts to the service are driven forward over and above the challenges that we had to face and which the hon. and learned Gentleman mentioned.

The Labour Government highlighted the importance of driving down costs and of ensuring that we consider areas such as the tendering process and developing alternatives. We considered a range of reforms and, as the hon. Member for Enfield, Southgate said, more must be considered, such as high-cost cases and the status of the LSC. We had planned to introduce proposals, if we were re-elected, on agency status for the LSC. Efficiencies could be made in the system as a whole, and we need to consider them generally to ensure that we receive extra value from the system.

I want to give the Minister 15 minutes to respond, but I shall touch on three areas of concern to Labour Members. As my hon. Friend the Member for Kingston upon Hull East said, we face proposed cuts of £2 billion in the Ministry of Justice over the next three years if we believe what is said about the CSR. Will the Minister say whether that will fall in part on legal aid in the next year and beyond? If not, how does he expect the Prison Service, the probation service, sentencing policy and other aspects of the Ministry's funding to be able to meet that level of cuts, which I believe are unnecessary given the choices that the new Government could have made on those issues and public spending?

We were not afraid of saving resources, which is why we introduced the measures that the hon. and learned Gentleman is concerned about, but a line must be drawn, and I would welcome the Minister's support for protection of the public and defence of people's right to enjoy the services of the profession. What consultation will he have with the Bar and service users on those issues and the points that have been mentioned? How will he ensure that the social and welfare aspects of the legal aid budget—this was raised by my hon. Friend the Member for Kingston upon Hull East—for those who depend most on legal aid services are considered? Such people depend on those for housing and employment issues, and in civil cases dealing with social welfare concerns. An article in *The Times* in August tantalisingly raised the possibility of that being a major target for the Government. That choice would be wrong, because the Government would again ensure that the burden of public spending cuts fell on those who are least able to bear them: the vulnerable, and those who need the service most and do not have recourse to other forms of finance for their legal requirements.

There are key issues for the Government to address, and I welcome this debate. The Labour Government took a responsible approach to these issues, and tried to save resources efficiently and effectively. Opposition Front-Bench spokesmen will watch carefully to see how the Government respond to the challenges that they, not the economy, have set for themselves ideologically to cut public spending still further. We shall watch to see whether that impacts on the poorest and damages the safety of our society through other choices being made on prisons, probation and sentencing.

10.46 am

The Parliamentary Under-Secretary of State for Justice (Mr Jonathan Djanogly): I welcome you to the Chair, Mr Bone. I believe that this is your first debate as Chairman, and I hope that it is the first of many. I am a non-practising solicitor, but I have never engaged in legal aid work. I congratulate my hon. and learned Friend the Member for Torridge and West Devon (Mr Cox) on securing this debate, which is timely. Many issues have been raised, and I will do my best in the time available to address them.

My hon. and learned Friend is an experienced criminal barrister and, as I would expect of a leading silk, argued his case strongly, as did my hon. Friends the Members

[Mr Jonathan Djanogly]

for Carshalton and Wallington (Tom Brake), for Gillingham and Rainham (Rehman Chishti) and for Enfield, Southgate (Mr Burrowes), and the hon. Member for Kingston upon Hull East (Karl Turner).

I should say at the outset that the Government agree that we need good-quality advocates to prosecute and defend in criminal cases, and to ensure that the criminal justice system works effectively and fairly. My hon. and learned Friend the Member for Torridge and West Devon and others have argued passionately for the continued future need for an independent Bar, and I support that. However, it is important to recognise that the legal landscape in this country is changing and we must all acknowledge that; we must adapt to it, and to the financial realities of the current economic climate.

I will deal later with the various points made, but before that it may help if I speak about legal aid more widely in the current context. As hon. Members know, the Government have pledged to reduce the budget deficit to deal with the acute financial crisis and to encourage economic recovery. That is something that the whole Government must do. However, we are not driven only by economic considerations; the financial situation is a rare and urgent opportunity to develop imaginative and creative policies. I accept that our policy should not be determined only by the need to deal with the deficit.

In June, we announced that we were considering our policy on legal aid. That reflects the aim of creating a more efficient legal aid system as set out in the coalition Government's document of 20 May. My hon. Friends the Members for Enfield, Southgate, and for Carshalton and Wallington voiced their concerns about the operation of the Legal Services Commission. I confirm that I have established a good working relationship with the LSC and that we are working through some of the issues. I should also say that the Government have decided to replace the LSC with an executive agency of the Ministry of Justice, in the belief that that will strengthen accountability and control of the legal aid fund.

As the right hon. Member for Delyn (Mr Hanson) said, there have been several reviews of legal aid in recent years under the previous Government. For example, Lord Carter of Coles's report of July 2006 proposed a market-based approach to reform. The previous Administration implemented some of Lord Carter's recommendations, but they did not succeed in implementing price competition for criminal legal aid work.

I can confirm to the right hon. Member for Delyn that we are seeking to develop an approach to legal aid spending that takes into account the necessary financial constraints, the interests of justice and the wider public interest. We are seeking to develop an approach that is compatible with necessary access to justice for those who need it most, the protection of the most vulnerable in our society, the efficient performance of the justice system and our legal obligations.

The cost of the legal aid system as a whole has risen over time. The scheme now costs over £2 billion per annum and, as has been recognised by my hon. Friend the Member for Enfield, Southgate, it is one of the most generous schemes in the world. We spend significantly more on legal aid than most other comparable countries. For example, the per capita spend on legal aid is about £9 per head in Australia and Canada, and £11 in New Zealand, but we spend £38 for every man, woman and child in England and Wales. In the current financial situation, that is unsustainable.

Tom Brake: My point is not directly related to the debate, but I would like to raise a point with the Minister about legal aid, particularly the availability of legal aid to British citizens in foreign countries and the extent to which the Government are able to publicise its availability.

Mr Peter Bone (in the Chair): Order. It does not help when the hon. Gentleman starts by saying that his point is not relevant to the debate.

Mr Djanogly: As I have said, the cost of the legal aid system has risen over time. The problems were well recognised by the previous Administration, but their piecemeal attempts at reform often served only to add to the upward pressures on cost, and they did little to address the underlying causes of cost or to look at the situation in the round; they found it too complicated to deal with. We want to take a different approach and look at the whole legal aid system and the wider justice system. With respect to my hon. and learned Friend the Member for Torridge and West Devon, legal aid is not only about the fees paid to lawyers; that is the wrong starting point. The starting point should be more fundamental questions, such as: what is legal aid for? What is the role of the state in legal aid? Who needs access to legal aid? How should we fund legal aid? What are the alternatives, in civil cases, for resolving disputes in a way that avoids expensive court processes and the need for lawyers? How should we set the price we pay when legal aid is required? Importantly, what can be done to encourage the resolution of legal problems, both criminal and civil, in a timely and proportionate way?

My hon. and learned Friend asked about timing. We have been assessing such questions over the summer as part of our consideration of legal aid, and I can confirm to him, and to the right hon. Member for Delyn, that by autumn we will be in a position to seek views on our emerging proposals in a full consultation. I also confirm that the resulting Green Paper will outline our proposals for the way forward for criminal legal aid.

I will now look specifically at issues of criminal advocacy. The world is changing in a number of ways. I have already mentioned the need to reduce public spending, and my hon. and learned Friend the Member for Torridge and West Devon has rightly highlighted the fact that in the dying days of the last Parliament, the previous Administration decided to reduce advocate fees by 13.5% over three years, with the first stage of that cut coming into effect last April, and he provided details of those statements. Although we have no plans to reverse that decision, I confirm to my hon. and learned Friend that we want to look at the efficiency of the whole legal aid system, which I agree will go beyond the criminal Bar. At this stage, however, I am not prepared to rule out any specific types of reform.

Another change in the landscape is the increasing number of higher court advocates competing for work with the criminal Bar. I understand that there are now at least 2,500 solicitor-advocates in practice in the higher courts. That means that the Bar no longer has exclusive

access to Crown court work. I know that the Bar welcomes healthy competition and believes that it is well placed to offer specialist expertise in advocacy, particularly in more complex cases. Equally, the Bar has grown over time. Thirty years ago, there were just over 4,500 barristers in self-employed practice. Twenty years ago there were more than 6,500, and today the number of barristers in private practice is greater than 12,000. Taken together, the changes mean that it is unlikely that there will be enough publicly funded criminal case work to support the number of people who wish to earn a living from publicly funded practice at the criminal Bar. That is a simple economic fact of life.

My hon. Friend the Member for Gillingham and Rainham spoke about the need to recognise and protect the diversity of the Bar. I agree with his sentiments and it is an important issue. However, the numbers of black, minority ethnic and women barristers are affected by issues other than simply fees. As I have already argued, legal aid exists to provide help for those who need it. In criminal cases, that means the defendant who cannot afford to pay for representation in cases that pass the "interests of justice" test, which in practice tends to exclude the more minor criminal cases. Let me be clear: it is not the purpose of legal aid to provide a living for any particular number of lawyers. Instead, taxpayers' money should be targeted at those who cannot afford to pay for their own defence, when that is required in the interests of justice.

My hon. and learned Friend the Member for Torridge and West Devon raised the issue of a single fee for Crown court litigation and advocacy. Given the likelihood that a single fee for Crown court cases covering litigation and advocacy would encourage greater efficiency between litigator and advocate, one should expect that point to be considered carefully, among other options for reform. That point was also raised by my hon. Friend the Member for Carshalton and Wallington.

As a point of principle, the so-called VHCCs—very high-cost cases—consume a disproportionate amount of the legal aid budget. Half the Crown court legal aid budget is now swallowed up by fewer than 1% of cases. I am keen to do all that we can to reduce the number and costs of long, complex cases that are bad for the justice system. We will look at that issue in the Green Paper but to clarify, contributions are returned to acquitted defendants, although means-tested contributions now mean that those who can afford to do so pay towards the cost of their representation.

Earnings at the criminal Bar vary enormously. We know that some barristers at the most junior end are far from fully occupied, and as a result their earnings are low. However, at the more senior end of the Bar, earnings can be high. My hon. Friend the Member for Carshalton and Wallington asked about fee levels. The previous Administration published information on that, which showed that for 2008-09, the highest-paid barristers took £928,000 from the criminal legal aid budget. One hundred and twenty barristers were paid more than £250,000 in criminal legal aid, and a total of 416 were paid more than £150,000. I accept that those figures are subject to a number of caveats. In particular, those fees include VAT and do not take into account chamber expenses.

Mr Cox: As the Minister knows, such fees may have been accumulated for work carried out over a period of years. It is wholly wrong to give the impression that such figures are the fee for some months' work, or a year's work; I know the Minister will accept that.

Mr Djanogly: I do accept that, but I wanted to give some idea of the amount of public money that is being paid out.

Looking at the wider regulatory picture, we are currently commencing the Legal Services Act 2007, which will encourage greater competition and innovation in the provision of legal services and a better focus on the consumer. That programme of work has already made important changes to the way that legal services are regulated in England and Wales, and it will also allow for alternative business structures. It will allow lawyers and non-lawyers to work together as one enterprise to provide legal and non-legal services.

To help pave the way for those new business structures, legal disciplinary practices have already been introduced. That has made it possible for different types of lawyers to work collaboratively to provide legal services. For decades, members of the criminal Bar have complained that solicitors have the whip hand. It is time for the Bar to embrace the new opportunities and equality of position that the Legal Services Act will provide. I hope that that opportunity will be grabbed.

As recognised by my hon. and learned Friend the Member for Torridge and West Devon, I was encouraged to hear Nicholas Green, QC, the chairman of the Bar, recently indicate that the Bar is preparing to change and adapt by setting up procurement companies that will enable groups of barristers to bid for criminal defence work. I have met Mr Green and other senior members of the Bar, and I will continue to work closely with them on the issue. Mr Green has been travelling the length and breadth of England and Wales to explain to members of the Bar, face to face, why it is time for the Bar to prepare for change. That is a sensible course to advocate, and I urge all members of the Bar to look carefully at the material that the Bar Council is producing on the subject. I do not think that the majority of members of the Bar, as part of a referral profession, can afford to be aloof as we move forward in what is likely to be an increasingly competitive environment.

I do not want to pre-empt the consultation paper that we plan to publish this autumn, but we must consider whether there is a case for the greater use of competition in providing legal aid. I think that my hon. and learned Friend will accept that, as long as it is done correctly and fairly.

In conclusion, I say to my hon. and learned Friend that however our thinking develops, I want a level playing field so that barristers, other advocates and litigators can compete on an equal basis. The Bar Council is right to advocate change, so that the Bar can not only survive but prosper in the longer term in a changed legal services market.

Rail Services (Enfield)

11 am

Nick de Bois (Enfield North) (Con): I was delighted to hear that this is the first time that you have chaired Westminster Hall, Mr Bone. I can confirm that this is my first debate in Westminster Hall. I am sure that you will agree that at our respective ages, it is good to be maidens in anything.

I am grateful to have secured the debate. I requested it because of the significant disquiet about delays and overcrowding from Enfield Town, Turkey Street, Southbury, Enfield Lock and Brimsdown railway stations. Unlike in other parts of north London, there are barely any alternatives to rail for commuters in Enfield. I am grateful to have had my right hon. Friend the Minister's time on many previous occasions, when she has shown considerable interest in commuter services for my constituents. I also welcome my hon. Friend the Member for Enfield, Southgate (Mr Burrowes), who has worked closely with me on the issues under discussion today.

I am keen to show that the new franchise agreements could be used positively to support wider community objectives as well as to deal with the immediate transport issues, but to understand that opportunity, we need to appreciate the local geography and how the railway is organised. That will enable us to learn from past mistakes and look to the future.

Let me start with the local area. Enfield as a community is already changing. There are, of course, classic suburbs, but it is worth noting that across the wider borough, there are six of the most deprived areas not just in London, but in Europe. However, there are also opportunities, particularly in the Lea valley, where we can succeed in regenerating and place shaping for the future. Such plans exist, but they will depend on the right infrastructure. In theory, the Lea valley and Enfield as a whole are linked by the umbilical cord of the railway system. Clearly, there is commuting straight out of London, through Enfield and up to Cambridge, Stansted and beyond. We can attract, but also need services to attract, inward commuting to help to support regeneration.

What is the railway offer? In our part of London, we have one main line from Cambridge and Stansted that goes through the eastern corridor of Enfield and the Lea valley to Tottenham Hale and Liverpool Street. It is run by National Express East Anglia. That franchise also runs the suburban line through central Enfield, which serves two end points—Cheshunt and Enfield Town—running through Seven Sisters. There is a second suburban line, run by First Capital Connect into Moorgate via Finsbury Park, which serves western Enfield.

Both suburban lines are overcrowded. There is no question about that, particularly for the underground interchanges, and the train capacities are limited. In particular, from Cheshunt and Enfield Town via Seven Sisters, there are at best six trains an hour, with perhaps six to eight coaches. In the off-peak period, there are at best two services an hour from Enfield Town. Such services can hardly be described as underground or even metro standard. The problems have been compounded by limited investment in recent years. I should add that only five stations across the whole west Anglia network are gated, and revenue is being lost as a result.

As for the main eastern Lea valley line, which goes through Enfield Lock and Brimsdown, we have a mix of limited-stop and local trains, governed by 15-minute scheduled Stansted Expresses. West Anglia is one of the most demanding and pressurised rail corridors in the country. There is no place for a fast train to pass a slower one until Broxbourne, some 17 miles from central London, with the obvious result that the faster trains do not go fast enough and the slower trains are going slower than required and are not able to stop and serve all the stations. That leads to immense frustration for commuters on platforms, who are quite keen to get on those trains. There are no winners at the moment.

The railway area that I am talking about is predicted to grow, in passenger transport terms, by up to 37%. Admittedly, we may see some variation in that, given current economic circumstances, but it is a fast-growth area. It is true that over the whole franchise, there will be up to 120 new carriages in 2011-12, but they will principally be focused on the 12-coach train fast services. The losers will be Enfield suburban services. So it really is a case of when, not if, we can invest in additional track and signalling as well.

I now turn to the wider national picture, examining the linkage between Government rail policies and the franchising process. As we know, National Express operates under a franchise awarded by the Strategic Rail Authority in 2004. The specification focused on improving performance, but it also allowed more Stansted Express trains, which, as I have explained, did not do Enfield services any favours. At best, we were marking time, but services were made worse on the eastern Lea valley line.

With the benefit of hindsight, we can see that the franchise agreement did not deal with the underlying problems, but just worked the existing railway harder. Of course, that has not necessarily been to our advantage. It shows that we have lacked investment and are still waiting for that investment. In that respect, the previous Government cannot avoid the blame, because they had been controlling the SRA since 2005.

Latterly, the Labour Government had three simultaneous desires: to maintain a command-and-control process in relation to the railways, to move the taxpayer to fare-payer ratio from 50:50 to about 30:70, and to try to breathe life into a money-go-round of fares generating profits for investment. That led to the unacceptable highly leveraged bids for a number of franchises. The most notorious was the east coast bid by National Express, which failed commercially in 2009. Sadly, the record shows that that was not the only failure; there was one in 2006 as well. I am no great literary scholar, but as Oscar Wilde might have put it, to lose one operator is a misfortune; to lose two is somewhat careless. Unfortunately, it proves that the franchising money-go-round is not working.

That brings us to the national position on franchising. If the money-go-round is not working, the funding rules must change, but that depends on how franchises are constructed. The basis of franchising has a history of always changing. Objectives have focused on lowest net subsidy, highest premiums or achieving specified service performance and quality for passengers. That meant increasingly that although operators might have been working in the private sector, they had a straitjacket on them that prevented them adding the value that passengers and commuters want.

In parallel, the contractual length of franchises had been adjusted. Sometimes they were on a bespoke basis. A franchise was longer if a railway needed more investment in trains. However, in recent times the norm has been about seven years, sometimes with an extension for good behaviour. Fundamentally, as many of us recognise, that short-termism does not incentivise major investment by the private sector.

Furthermore, the franchising rules did not achieve the right outcomes for National Express East Anglia lines in Enfield. Passengers' overall satisfaction is measured by the national passenger survey. The operator has consistently performed below the London and south-east sector average and well below the highest franchise in the sector. That is despite punctuality having improved.

I noticed today—I trust that the *Financial Times* is correct—that an announcement has been made to grant a temporary extension to the franchise for another seven months. I understand the reasons behind that and accept it fully, but what concerns me is that many passengers might interpret that as an endorsement of what has happened in the past. That clearly is not the case. It is designed ultimately to allow us to have a better system for the future.

The new franchising reform consultation suggests that future franchise bids will be judged on the quality of the overall package of proposals. My constituents will welcome that. Let us look to the future. Public funds are tight. We must look to a new partnership between the Government and the private sector to secure long-term funding by train operators to leverage better services and facilities. That is good news. Enfield is awaiting a new franchise; it will be one of the first. The Government emphasis on outcomes and long-term franchises presents us with short and long-term opportunities.

Bob Stewart (Beckenham) (Con): Does my hon. Friend think that this new franchise might be a model for other franchises, such as in south-east London?

Nick de Bois: I am grateful for that intervention. In fact, I will go on to address such issues—particularly local ones in London, which I am sure my hon. Friend faces in his constituency. That is exactly my point: now is the time to be bold and imaginative, notwithstanding the constraints that we are all working within.

I shall turn to the priorities that commuters wish to see. These include refurbishing trains, so that we can get consistent appearance and quality, and improving security by introducing ticket barriers, and perhaps increasing CCTV as well. More stations protected by ticket barriers will lead to better revenue protection. In addition, investing in the key interchanges of Seven Sisters and Tottenham Hale, which service Enfield, will be crucial in making them more accessible. A fundamental priority is train frequency.

I accept that, in the short term, infrastructure will largely be as it is now, which limits what can be achieved. I commend to the Minister an interesting recent report from the London borough of Enfield showing a positive case for a more frequent local train service between Enfield and Liverpool Street in the off-peak. That analysis is based on journey-time savings and does not include the other expected community and economic benefits. I believe the benefit-cost ratio, as the report demonstrates, would be under current rules of 1.46:1. That is before we take into account the greater community and economic benefits. I understand that 1.5 is the guideline for investment. There is a strong case.

As an aside, many stakeholders regret that the current official proposals for four trains per hour to Stratford from the Lea valley line through Enfield will only exist for the 2012 Olympic games. The Enfield report shows how a revision to train-stopping patterns on the Lea valley line could regularly achieve four trains per hour, peak and off-peak, to the busiest stations in the areas requiring regeneration. I am happy to commend the report, on which much work was done, to the Minister.

Other short-term matters must be highlighted, including work to solve passenger crowding at the Victoria line interchanges. I look to action on the local level crossings, which are a source of risk—all too tragically, in Enfield, very recently. I also look to action on performance delay. Improving disability access, particularly at the key interchange routes, is a must.

Further progress on studies about expenditure during the new investment periods is needed. For example, a long-term franchise should be able to address the broader spectrum of opportunities, including the case for partial four-tracking on the Lea valley line, which will improve the service, as I have explained, as previously it was two-track.

To conclude, I fully support the approach taken by my right hon. Friend the Secretary of State when he said that he will involve all elements of the rail industry more fully in the decision-making process. I support the decision, and regard it as vital to accelerate the rail value-for-money review under the leadership of Sir Roy McNulty. It is vital that we look to improve our existing infrastructure even in these hard times and his work should help drive that forward.

For Enfield, it is crucial that franchise agreements set out not just clear performance indicators but levels of investment and service agreements that can be benchmarks, and that they send a clear signal that economically important areas served by railways—such as my constituency and neighbouring areas—are open for business and that we can help rail services to support that and regenerate the area. Our business community and developers will be keenly watching franchise agreements before making investment decisions. West Anglia will, as my hon. Friend the Member for Beckenham (Bob Stewart) pointed out, be a test for the new Government of the new rail management and franchising system. Those routes could be exemplary and even a fast-track trial area for a new approach to delivery. A new franchising policy presents us with such an opportunity, delivering, as it says in the coalition agreement,

"the improvements that passengers want—like better services, better stations, longer trains and better rolling stock".

11.14 am

The Minister of State, Department for Transport (Mrs Theresa Villiers): It is a pleasure to serve under your chairmanship, Mr Bone. I congratulate my hon. Friend the Member for Enfield North (Nick de Bois) on securing the debate and presenting an impassioned case for improvement to rail services in the borough of Enfield. I recall him raising the issue in Transport Question Time shortly before the summer recess. I know

[Mrs Theresa Villiers]

that he is a staunch campaigner on these matters in his constituency, standing up for the interests of local commuters in a highly effective way, alongside my hon. Friend the Member for Enfield, Southgate (Mr Burrowes), whom it is great to see in the Chamber today. As the near neighbour of both my hon. Friends—I represent Chipping Barnet—I well understand the importance of transport links in the London suburbs.

My hon. Friend the Member for Enfield North set out his concerns about reliability and performance. As we have heard this morning, train services to Enfield are operated by both National Express East Anglia and First Capital Connect. In my ministerial capacity, I take a close interest in the performance of all train operators, but my role as MP for Chipping Barnet means that I have an additional reason to scrutinise the performance of FCC on the Great Northern line, as it serves my constituency as well as Enfield.

That franchise experienced significant disruption between October 2009 and January of this year. That was largely caused by industrial action, and Thameslink services were the worst affected. However, there were also problems on the Great Northern line, which serves Enfield. It was particularly regrettable that action by drivers meant that no trains ran on Remembrance Sunday last year on the suburban Great Northern line services. I am relieved that the problems that led to that disruption have gone away for the moment, and that First Capital Connect's overall public performance measure has recovered to reach the levels prevailing prior to that episode. However, the underlying issue for the railway—namely that on a number of routes drivers are not under a contractual obligation to work on Sunday—obviously has yet to be resolved.

As far as National Express East Anglia—the main focus of my hon. Friend's remarks this morning—is concerned, in the latest period for which complete performance data are available, 90.8% of NXEA's trains arrived on time, according to the PPM moving annual average figure. That is an improvement, albeit a modest one, on the 88.6% reliability levels that it inherited from the previous franchise in 2005. It is also worth noting that PPM figures are aggregated across a diverse franchise, covering long-distance, rural and commuter services. That means that they do not necessarily give us all the answers, when it comes to the specific performance of Enfield services. As my hon. Friend pointed out, NXEA's most recent national passenger survey results indicate that it is below the average for London and the south-east. I agree with my hon. Friend that there is room for improvement.

My hon. Friend referred in some detail to capacity and his constituents' concerns about crowding. The latest passenger loading data confirm that overcrowding is indeed an important issue on some Enfield services. Anxiety about overcrowding in a number of parts of the UK's rail network increased during the previous Government's term in office. In my view, one of Labour's most serious mistakes was that it took far too long to wake up to the seriousness of this problem. It took, for example, over a decade to get moving on projects such as Crossrail and Thameslink. Four successive Labour Secretaries of State for Transport promised extra carriages under the HLOS—high-level output specification—programme, but that political decision came late in the day and less than a quarter of what they promised had arrived by the time that Labour left office. That leaves the current Government to deal with the problem during very lean times, when the pressing need to deal with the deficit that we inherited from our predecessors places intense pressure on the public finances.

The issue for consideration today is how we address the problems experienced by commuters—problems of the kind outlined by my hon. Friend—in an affordable way, consistent with our pledge to address the deficit that we inherited from the previous Government.

First, I should mention that I meet senior representatives of the rail industry and the Office of Rail Regulation every month to assess performance levels on all lines, and to scrutinise carefully the record of Network Rail and the train operators. Of course, the ORR takes the lead on these matters, but I am grateful to those who participate in what is a very useful process for me. Following on from my hon. Friend's intervention at Transport questions, I raised the issue of NXEA services in Enfield with the group.

As my hon. Friend was kind enough to acknowledge, the Government's wider reform agenda has the potential to drive forward progress in addressing a number of the issues that he raised. Our approach has three parts: first, reform of Network Rail; secondly, reform of rail franchising; and thirdly, taking forward capacity enhancement programmes where they can be reconciled with our commitment to address the deficit.

As hon. Members will be aware, making progress on reliability and delivering extra capacity depends in no small part on ensuring that Network Rail, as the infrastructure provider, delivers high-quality services to its customers in an efficient and cost-effective way. In the case of the NXEA services that we are considering, the most recent industry figures indicate that Network Rail was responsible for just over 60% of delays on the franchise. In particular, I am advised that Network Rail infrastructure has suffered a number of overhead line problems.

I very much welcome the fact that the franchise operator and Network Rail are working together to try to address the problem. However, if we are to improve Network Rail's performance and reduce its costs, the company needs to be made more accountable for its actions, and that includes demonstrating greater accountability for its decisions on executive bonuses. We are considering a number of options, and we are working with the ORR and other stakeholders to take that work forward. I should make it plain, however, that the status quo is not acceptable, and we will be making changes in due course.

As we heard this morning, the Government are consulting on reforms to the rail franchising system, and those are the second element of our strategy for addressing the problems outlined by my hon. Friend. The reforms are aimed at moving away from a system in which Whitehall specifies highly detailed and prescriptive inputs for franchises—what my hon. Friend referred to as the command-and-control approach to the railways. Instead, we want a stronger focus on the quality of outcomes for passengers, while giving the professionals who run our railways more flexibility to apply innovation, enterprise and specialist expertise in working out the best way to deliver outcomes.

We need a more qualitative approach to the assessment of franchise bids—an approach that judges the quality of a bid's overall package of proposals to invest in the railways, improve services and grow passenger numbers—rather than focusing solely and exclusively on the binary question of the level of subsidy or the premiums to be paid. Again, I hope that that will address some of the problems involved in what my hon. Friend referred to as the money-go-round.

Franchises should also be longer. We expect 10 to 15 years to become the normal, expected length, with the possibility of franchises running for up to 22 and a half years, where significant investment is promised. The increased certainty that longer franchises will give train operators will encourage private sector investment in the railways and help to deliver the improvements that passengers want. My hon. Friend called for us to include better services, better stations, longer trains and better rolling stock. On the specific improvements that he asked for, I hope that he will understand that I cannot prejudge the process that will commence once the franchise re-let is under discussion, but I encourage him to take part in the consultation on the re-let as and when it starts.

Our reformed franchises will set demanding passenger satisfaction outcomes for train operators to achieve. Train operators that do not comply with franchise requirements will face sanctions. Ultimately, in the case of very serious failure, sanctions will include termination of the franchise. The approach that we have set out in our consultation document will enable and incentivise train operators to respond more effectively and efficiently to commuters' concerns. I expect our proposed measures to help address a range of the customer service and capacity issues that my hon. Friend outlined.

At this point, I should respond to my hon. Friend's questions about the timetable for re-letting the East Anglia franchise. I reiterate that I decided to cancel the franchise competition initiated by the previous Government to ensure that the new franchise was issued under the reformed system, and to ensure that passengers using NXEA services could have the benefits of the changes that the coalition has promised to deliver. The franchise was due to be re-let and to commence on 1 April 2011, but a contractual extension has been agreed until October 2011.

I turn now to the third element of Government policy that is relevant to the matters under consideration: delivering additional capacity, where that can be reconciled with our commitment to address the crisis in the public finances that we inherited from the previous Government. The Department for Transport is funding 120 new carriages for the East Anglia franchise. Most will be used on the Stansted Express route, with some deployed on Cambridge commuter services. The carriages are expected to enter service from March 2011, and that will free up carriages that will be used to strengthen services on other parts of the NXEA network. The decisions on exactly where those carriages will go have yet to be made, but I am advised that stations in Enfield will be among those that benefit from the extra capacity.

Additional capacity will be introduced on First Capital Connect lines to Enfield in December 2010. In the morning peak, five of the six stations in the borough—Gordon Hill, Enfield Chase, Grange Park, Winchmore Hill and Palmers Green—will have three additional six-car train services to Moorgate, and one of the existing services will be doubled in size from a three-car to a six-car train. The five stations will also be served by additional services to Hertford North and Gordon Hill from Moorgate. The remaining station, Crews Hill, will be served by two additional six-car train services.

In the evening peak, the same five stations will have an additional three services, two of which will go to Gordon Hill, with the third going to Hertford North. That is except for Grange Park, which will have two additional services running to Gordon Hill. All those additional services will be six-car trains. Additional services will also run from Gordon Hill to Moorgate. Crews Hill will benefit from an additional six-car train running to Hertford North. There will be three more services during the morning peak, and extra carriages will be added to one of the existing services. Evening peak service capacity will see similar improvements and increases in capacity. Those morning and evening peak improvements are part of the additional 3,800 peak-time seats being added to Moorgate services from December.

In conclusion, I understand my hon. Friend's concerns. The Government are working to ensure that we have a reliable railway and that crowding problems are addressed. We face the difficult task of achieving that at the same time as tackling the state of the public finances that we inherited from the Labour Government. I have summarised some of the most important initiatives that we are taking to seek to achieve those important goals. When the consultation process begins for the re-let of the franchises serving my hon. Friend's constituency, I very much hope that he will make his views known. I am sure that they will be a valuable and welcome contribution to that important process, just as his remarks this morning have been a valuable and welcome contribution to the debate.

11.28 am

Sitting suspended.

Diabetes (Young People)

[MRS LINDA RIORDAN *in the Chair*]

2.30 pm

Mr George Howarth (Knowsley) (Lab): It is a pleasure to serve under your chairmanship, Mrs Riordan.

First, I would like to acknowledge the help that I have received in preparing the background information for today's debate. I particularly wish to mention the Juvenile Diabetes Research Foundation, Diabetes UK, the Eye Health Alliance, the Aintree University Hospitals NHS Foundation Trust in my constituency, and last, but by no means least, my daughter Siân, who suffers from type 1 diabetes and who has helped in the preparation of what I am about to say.

In the past, too often health policy discussions have focused on hospitals, doctors and nurses, with no real recognition of the millions of people who live with long-term conditions. Over the past few years the situation has improved, and now we at least recognise that health care is as much about helping patients to manage their conditions more effectively throughout their lives as it is about mending broken bones in hospital, although the latter is, of course, important. Nevertheless, we are on a long journey. We now recognise that demographic pressures and lifestyle-related conditions, including obesity and the rising incidence of diabetes, pose major public health risks, yet every time we make that statement we risk overlooking a serious and growing problem, because it ignores people with type 1 diabetes—many of them children—whose condition cannot be prevented by changing their lifestyle.

So, what is type 1 diabetes? It is a chronic, life-threatening condition that occurs when the body's immune system attacks insulin-producing cells in the pancreas. A normal, healthy body will regulate blood glucose using insulin, but in someone with type 1 diabetes, the blood sugar level can go too high or too low because there is insufficient, or no, insulin to control it. Insulin is the hormone that transfers glucose from the bloodstream into the cells to be used for energy. Type 1 diabetes is typically diagnosed in childhood. The peak age is between eight and 12 years, although in some cases it can be much higher. I heard today of a case in which the age on diagnosis was 23. As a result, most patients with type 1 diabetes live with the complications of uncontrolled blood sugar for many more years than those who suffer from type 2. Unlike type 2, type 1 diabetes is not in any way linked to being overweight, to lack of exercise or to any other lifestyle factor. Living with type 1 diabetes involves a relentless process of managing the condition, and there are no days off.

People with the condition have to rely on a programme of finger-prick blood sugar tests and insulin pump infusions or injections up to 10 times a day, just to stay alive. Although these tools prolong life, they are not a cure. Even with insulin injections, type 1 diabetes brings devastating long-term complications, including heart disease, stroke, blindness, kidney failure and, in some cases, limb amputation. In addition, there is a small but very real chance of sudden death, and life expectancy is reduced by about 20 years.

I recently tabled a question to the Department of Health about its estimate of the number of people with type 1 diabetes. It turns out that the Department does *not have an estimate of the* total number, but extrapolations from quality outcomes and framework data suggest that the figure might be about 230,000, which is some 10% of the diabetes population.

Caroline Flint (Don Valley) (Lab): It is important that the Department of Health and the coalition Government show leadership in this area. Is my right hon. Friend not concerned by the latest figures, which seem to suggest that the incidence of type 1 diabetes is increasing by about 4% a year, with the biggest increase in children under five, in whom there has been a fivefold increase in the past 20 years? Does my right hon. Friend not agree with me that we need assurances from the Government that they will look into what is happening, and will look at what can be done both to tackle the condition when children are diagnosed, and to understand why it is occurring and increasing in the way that it is?

Mr Howarth: I am grateful to my right hon. Friend for that intervention. The figures that she has cited are correct, and I was about to go on to mention them.

I have mentioned the Department of Health's estimate. The Juvenile Diabetes Research Foundation cites estimates that put the number of children and adults living with type 1 diabetes as high as 390,000, or 15% of the diabetes population. In a political context, that translates into approximately 500 people in every parliamentary constituency. There seems to be more consensus on the number of children and young people with type 1 diabetes: about 25,000 children in the UK have it. That means that as many as one child in every 700 has type 1 diabetes. Of all children and young people with diabetes, 98.6% will have type 1.

It is also worth noting that although the condition is not linked to lifestyle factors, the incidence of type 1 diabetes is increasing by about 4% a year. The biggest increase is in children under five, in whom there has been a fivefold increase in the past 20 years, as my right hon. Friend has said. To summarise, this is a complex condition that affects children and young people in significant numbers, and it has a profound impact on their lives.

Diagnosis often occurs on the occasion of the first major episode of diabetic ketoacidosis, with symptoms typically evolving over a 24-hour period. The symptoms are predominantly nausea and vomiting, pronounced thirst, excessive urine production and abdominal pain that might, in some cases, be severe. Left undiagnosed and untreated, diabetic ketoacidosis is fatal. In 2009, an eight-year-old boy died from undiagnosed diabetic ketoacidosis. An ambulance was called but, as it was thought that the boy was a low priority, was never dispatched. When an out-of-hours GP was called, the boy was diagnosed with swine flu and prescribed Tamiflu. He died days later. A major problem is that many GPs are not properly trained to recognise the symptoms and make a diagnosis, and there are countless examples of young people being treated for an entirely separate condition, when the real problem is that diabetes has been uncontrolled and not even recognised, and appropriate action therefore not taken.

As well as creating the risk of a major catastrophe and having ongoing consequences for physical health, type 1 diabetes has a profound effect on the lives of children with the condition and their families. It pervades every aspect of a sufferer's life. Everything that the person eats, drinks and does involves a mathematical equation. For the child and their family there are no days off, and even a few hours of trying to forget can be dangerous. Living with this complex, chronic condition is at times very distressing and stressful for many parents, and it is a source of constant anxiety, and often embarrassment, for young sufferers.

A survey carried out by the parent group, Children with Diabetes, showed that a significant majority of parents had seen their household income decrease, and that there had been a notable impact on family life. The potential for long-term complications is clear and present, and is obviously a worry for many parents. Many children worry about being seen as different from their peers, and a disturbing 50% of parents say that their children have been bullied as a result of having type 1 diabetes. Although children and young people with diabetes are different in the sense that they continually have to manage their condition, they are like any other young person in most other ways. They are subject to the same pressures and temptations, such as the ones to use alcohol or illegal drugs, which could be fatal in their case.

Young people with diabetes have also succumbed to a trend that is informally known as diabulimia. They manipulate their insulin to achieve significant weight loss. In 2004, in "Living with Diabetes", Susan Caltieri bravely explained how the phenomenon had affected her life. She said:

> "Instead of dealing with the root of the problems—the relationship I had with my diabetes—I started blaming my weight, thinking the only way to achieve my ambitions of getting on to the stage was to be skinny. I discovered that by decreasing my insulin and eating less, I could lose weight quickly. Eventually there were periods of time where I didn't inject insulin at all and could lose up to half a stone a day. I had developed a serious eating disorder...I don't know how I actually survived. I was completely oblivious to the damage I was doing my body."

Caroline Flint: I thank my right hon. Friend for giving way a second time and I congratulate him on securing this debate. What he is outlining to us is a worrying trend among young women who feel that they have to be a certain size to be attractive. Does he not agree that it is also worrying that we have heard nothing from the coalition Government, in the form of a public health measure, about how they will ensure that young people, particularly young women, with type 1 diabetes are supported so that they understand the dangers to their health of not taking their insulin? Moreover, how will the support that is there be affected by the unnecessary change to GP commissioning at a local level?

Mr Howarth: My right hon. Friend makes a strong point. It is a worry that the change in the system, which will vest more power with GPs, could have a negative effect; I hope that it does not. Will the Minister give serious consideration to the way in which conditions such as diabetes will be managed in those changed circumstances? I fear that GPs' knowledge of the subject is too sketchy for them to be able to deal with the matter properly. As and when a Bill comes before the House, I will—if my party's Front Benchers do not—table some amendments on the issue. To be fair, I should mention that the Minister for Equalities, the hon. Member for Hornsey and Wood Green (Lynne Featherstone), has raised the important issue of young women and body size and image and so on. The idea that young women have to be stick-thin to be attractive or employable is outrageous. I had not intended to raise this subject, but I have discussed it in the past with my right hon. Friend the Member for Don Valley (Caroline Flint) and the Minister for Equalities.

Although this story does not involve a diabetic, it is related to the issue that has just been raised. A young woman spent her entire life, from the age of seven, training to be a violinist. She performs in concerts and provides backing music for groups. I am talking about the way in which rock groups have attractive young women playing a violin and a cello behind them. This particular young woman had to perform at a festival. The agent who recruited her said that one of the requirements in the contract was that she got down to size zero. I am not talking about a pop star or a model—although I condemn such behaviour in those cases as well—but a serious musician who was expected to get down to that sort of weight. It is outrageous, and I am so glad that my right hon. Friend the Member for Don Valley raised the matter.

Diabetes UK has estimated that the number of young people with type 1 diabetes who manipulate their insulin to achieve weight loss could be as much as one third of all patients. Although it is possible that the figure may not be that high, discussions that I have had with one of my local hospitals—Aintree University Hospitals NHS Foundation Trust—and specifically with Maureen Wallymahmed, revealed that it is extremely hard to quantify the problem because young people tend to hide the condition from medical staff. I warmly commend the work of the unit at Aintree. It manages the transition in treatment from childhood through to adulthood, which is another area that requires attention.

The causes of the trend to manipulate insulin are deeply ingrained in society and cannot be simply addressed. One thing is clear, though: young people with type 1 diabetes need easily available help and constant access to support. Where appropriate, that should include access to relevant psychological therapies.

One obvious difference between young people with diabetes and older patients is that those young people spend far longer periods of their lives living with variable blood sugar levels. Consequently, the ongoing physical risks that they face typically occur much earlier in life than with type 2 diabetic patients. Complications can include heart disease, stroke, blindness, kidney failure and limb amputation.

For the purpose of this debate, I shall take one example of those complications. Diabetes can affect vision in several ways, but the most serious impact is generally on the blood supply to and within the retina. Most sight loss due to diabetes can be prevented, but it is crucial that the condition is diagnosed early and treated promptly. Up to one third of patients with diabetes will have background diabetic retinopathy, which needs to be monitored carefully as it can develop into irreversible sight loss. Early detection through screening and treatment is vital to prevent unnecessary sight loss. The Department of Health figures suggest that more people with diabetes are now being offered screening for

[Mr George Howarth]

retinopathy than ever before and to a higher standard, which is very welcome. However, the speed of progress appears to vary significantly across the country, with some primary care trusts not offering screening to old people with diabetes, which is a cause for concern.

In these difficult financial times, it is worth focusing on the cost of diabetes management to ensure that we are making the most of all available resources across the whole health system. Treating diabetes and its complications is extremely expensive. Each year, the NHS spends 10% of its budget on the condition. Given the lack of reliable data it is difficult to put a definitive figure on the cost to the NHS of treating type 1 diabetes. However, we know that once diagnosed, type 1 diabetes requires intensive control for the rest of the person's life, and with the risk of complications, the cost of treating the condition in the NHS is high.

One of the major challenges that the NHS faces is to help patients manage their conditions more effectively, so that the necessary admissions for acute care can be avoided. Better management not only saves huge potential costs, but makes a significant contribution to improving the lives of patients with type 1 diabetes. To achieve that, we need to ensure that funding within the NHS supports care pathways and innovations that help patients manage their condition effectively, which means that medical research is vital.

At present, there are no definitive answers about what causes type 1 diabetes or how we can cure it. The only way that a cure will be found is through greater investment in medical research. In 2009, the Government funding bodies—the Medical Research Council and the National Institute for Health Research—committed £51 million to research to tackle the growing problem of diabetes. Of that amount, only £6 million was applicable to type 1 diabetes. By contrast, last year the United States Government spent $150 million, the Australian Government $36 million and the Canadian Government $20 million on funding world-class research to cure, treat and prevent type 1 diabetes.

We could take the easy option and leave it to others to carry out the research, but aside from the dubious ethics that that would involve, it would of course miss the point that investment in medical research provides wider economic gains as well as obvious health benefits. A recent report by the Office of Health Economics, a health think-tank, concluded that a £1 increase in UK Government or UK charity spending on medical research could lead to an increase in private research spending by the pharmaceutical industry of between £2.20 and £5.10. Other research by the Wellcome Trust has estimated that every £1 spent on public or charitable medical research yields additional GDP for the UK that is equivalent to a net return of 30p per year in perpetuity.

Once innovative treatments or technologies are available, it is essential that patients with type 1 diabetes have access to them. Insulin pump therapy is internationally viewed as the gold standard treatment for type 1 diabetes, reducing the risk of hypoglycaemia—very low blood sugar—and long-term complications. Despite that, however, less than 4% of the UK's type 1 population use a pump—far behind Europe, at 15% to 20%, and the United States, at 35%. Given the long-term costs of managing the complications of type 1 diabetes and the immediate-term costs of unnecessary unplanned hospital admissions, the UK figure has all the hallmarks of a false economy. Indeed, I have heard of instances of young people being refused a pump because the control of their blood sugar levels has not been considered bad enough. Clearly, there is an issue that needs looking at, regarding the advice that medical practitioners are following.

Guidance from the National Institute for Health and Clinical Excellence recommends that insulin pump therapy is used as a treatment option for adults and children over 12 if attempts to meet long-term blood sugar levels fail or result in the patient having disabling hypoglycaemia. The NICE guidance also recommends that children under 12 with type 1 diabetes have access to insulin pump therapy if multiple daily injections are considered impractical or inappropriate.

However, despite that NICE guidance on eligibility, there is considerable inequity in insulin pump provision across the country. In some areas, less than 1% of people with type 1 diabetes use an insulin pump. Figures released earlier this month by the Medical Technology Group indicate that there is indeed a "postcode lottery" of insulin pump access across the UK, with access varying from 0.4% of the type 1 population in Luton to 17% in Blackburn.

Only five of 113 primary care trusts that were questioned had any kind of strategy in place to implement the NICE guidance on insulin pumps in line with their statutory duty to adhere to NICE technology appraisals within three months of issue. I hope the Minister will follow up that issue with PCTs. Decisions about funding for pump services seem to be based on cash-flow benefits rather than on the benefits that such services would provide for patients.

Another exciting development that offers real hope to patients, as long as they are able to access any future solution, is the artificial pancreas—the first realistic hope for a cure for type 1 diabetes, albeit a mechanical one. Vital research supported by the Juvenile Diabetes Research Foundation is working towards developing an artificial pancreas system, a technology that will do the job of a healthy pancreas. Such a system would provide exactly the right amount of insulin to the body exactly when it is needed.

The artificial pancreas system requires three things: an insulin pump, a continuous glucose monitor and an algorithm. Insulin pumps and CGMs are already available and researchers from the Juvenile Diabetes Research Foundation have developed an algorithm that will allow the two devices to communicate with each other. Artificial pancreas systems are expected to be publicly available within the next five years.

However, there is a real risk that while people with type 1 diabetes in the US and other countries will be able to use that new technology, people with type 1 diabetes in the UK will miss out, because they do not have access to an insulin pump or a CGM, and because the structures and expertise are not in place here to support the existing technology, let alone the next sophisticated technological development. Rectifying those problems would be a real indicator that we are serious about having an NHS that has the principles of excellence, efficiency and equity at its heart.

I recognise that the cost of an insulin pump, which is about £3,000, is significant. However, given that NICE recognises the value of bariatric surgery—what is normally

known as the insertion of a gastric band—as a mechanism to tackle type 2 diabetes and given that such surgery costs up to £7,000, we need to get the costs of adopting innovative medical technology such as an insulin pump into perspective.

In conclusion, what needs to be done? Given that many cases of type 1 diabetes go undiagnosed, we need to improve awareness among GPs, so that the condition can be diagnosed in the first place. There is an argument that GPs should be given a series of protocols on how they should deal with certain symptoms. Increased understanding of the nature of type 1 diabetes is particularly important given that Government proposals envisage that GPs will take the responsibility for commissioning care as well as being the first point of call for diagnosis.

In addition to the early identification of diabetes, we need to encourage commissioners to plan adequately for treating the long-term complications. That would include ensuring adequate provision for retinal screening, to close the gap between those being offered screening and those actually receiving the test. In particular, we must address the "postcode lottery" that exists in relation to that procedure.

Above all, we need to ensure that patients have easy access to care that is shaped around their personal needs. In many cases, that will mean providing access to a multidisciplinary team, with patients enjoying a consistent relationship with advisers. In addition, psychologists and all those involved in the care of vulnerable young people need to understand the risks of behavioural complications, such as diabulimia, and the social pressures that can lead to those complications.

It is hugely important that GPs are made aware of type 1 diabetes. If they do not know about the condition, they will not recognise it; if they do not recognise it, they will not diagnose it; and if they do not diagnose it, the consequences for some young people could be fatal.

We therefore need to be imaginative in the way that the NHS funds and provides new therapies. There are numerous ways to provide advice. The important thing is that patients get that advice when and where they need it. Although special hospital units, such as the one at Aintree that serves my constituency, will continue to play a vital role, we need to be open to the idea of using other locations as a means of delivering care, particularly in the primary care sector.

Ongoing telephone support, community-based pharmacy care and mobile technology all have a role to play. The key is to ensure that we integrate these solutions, so that they work effectively across the local health economy to avoid unnecessary hospital admissions and reduce long-term complications.

If I have painted a gloomy picture, perhaps I can conclude by making a slightly more upbeat point. The dangers and risks to young people of type 1 diabetes are great, and recent developments can make them even more serious, but there are examples of leading sportsmen and women, entertainers and a host of other people successful in their chosen professions who manage to cope with type 1 diabetes, have a life and career and even bring up a family. In many respects, their lives exceed their expectations and those of society. With help, type 1 diabetes can be managed, and young people who have it can achieve everything in life of which they are capable. Our responsibility is to ensure that they get that help.

3 pm

Mr Adrian Sanders (Torbay) (LD): I congratulate the right hon. Member for Knowsley (Mr Howarth) on securing this important and pertinent debate. It is timely, given that we have a new Government and a new Health Secretary with responsibility for the issue. This is a great opportunity for us to help him to help those with the condition. I register that I am a type 1 diabetic whose condition is controlled by injections of insulin.

Diabetes, whether type 1 or type 2, is a chronic condition for which there is as yet no cure. Type 1 diabetes is believed to be genetic, rather than a consequence of lifestyle; type 2 diabetes is firmly believed to be a consequence of lifestyle and diet, and not necessarily of genetic factors.

The treatment regimes for types 1 and 2 are slightly different. Treatment of type 2 is very much about diet, exercise and changing a sedentary lifestyle. Medicines might be introduced to induce what insulin the body still produces to work better, although injections of insulin are increasingly being prescribed for people with type 2 diabetes, particularly those who have had the condition for a long time. The type 1 diabetic is someone whose pancreas has effectively packed up and said goodbye, so in order to stay alive, they must take injections of insulin—there is no alternative. Medication is sometimes prescribed later in life to ensure that the insulin taken works a little faster or more efficiently. For those considered to be at risk of other complications that tend to come with diabetes, such as strokes or heart problems, statins and other such drugs can be prescribed.

Just under one in five people with diabetes has type 1. Most are likely to have been diagnosed before age 40; I have had the condition since my late 20s. This debate is about diabetes in young people, so I will focus on that. I am glad that I was not diagnosed with diabetes as a young person, because it has a major impact on a young person's life, educational chances, social interactions and psychological attitude to life.

The typical treatment for somebody with type 1 diabetes is perhaps three injections a day of fairly fast-acting insulin, taken at meal times. Before going to bed, they might take a fourth injection of a slightly longer-lasting insulin to maintain their body's balance through the night, when they are not exerting themselves and require a different type of insulin. There are dozens of types of insulin—fast-acting, slow-acting, mixed—and which insulin or insulin mix is right is a decision for the patient and their GP in light of their circumstances.

The condition changes with age. The first insulin that someone is prescribed is not necessarily the one with which they will continue later in life. New insulins come on the market all the time, promising better control and fewer complications, and from time to time the treatment regime is reviewed and the GP or consultant may recommend change. Of course, that can cause complications, as the effect of any change is specific to the person. I am sure that the right hon. Member for Knowsley will know, if his daughter has ever been asked to change her treatment regime, that a degree of adjustment must take place before the patient is comfortable with the new regime.

Many people with diabetes make contact with the health service only once a year. It is a condition that must be managed by the diabetic themselves. For 364 days

[Mr Adrian Sanders]

of the year, they are their own consultant. They know their body better than anyone else, and they must take the decision whether to increase or decrease the dose according to how much energy they are expending or what type of food they are about to eat. Once a year, the diabetic has a medical check-up. Some good GP practices bring in people twice a year: once to see the GP, once to see a specialist nurse. Some diabetics might see a medical professional three times a year in addition to seeing their consultant in hospital, but most people who have been diagnosed and are living with the condition normally come into contact with the health service only once a year. It is vital, therefore, that at that point the health service can detect whether there is a problem, analyse what it is and make correct suggestions about any changes in treatment.

For young people of primary and secondary school age, one big problem is the stigma of diabetes. There are a lot of misconceptions out there about what the disease is, what it does and what the condition brings. A young person might be told, "I'm sorry, you're going to have to inject yourself," but there is a stigma to that. They need a clean, perhaps private environment in which to make that injection. Although great advances have been made in injection devices—some are disguised as pens—there is still a stigma attached to having an injection, even a small, subcutaneous one. They are not great big syringes, as they used to be in the old days, but even with those advances, there is still a stigma.

Injections are not the only part of it. A sensible diabetic will want to test their blood sugars, which means taking a blood sample and putting it through a testing machine so the reading can advise them what injection of insulin is required. A clean, discreet environment is needed, which is difficult to find for someone in school—far more difficult than for me, a Member of Parliament. That is another reason why I am glad I did not have the condition as a child.

There are three stages for a young person with diabetes. Often, in a primary school environment, they may be the only person with the condition. Kids are quick to pick up on somebody who is a little bit different or has special requirements. Often, the primary school might have difficulty coping with a child who has diabetes. Many cases are on record—Diabetes UK has done a lot of work to highlight the issue—in which primary schoolchildren have not been able to get teachers or other school staff to assist them with testing or injecting because the school insists that a parent come in to do so. Working parents simply cannot do that, so in some cases, parents have had to move children away from their desired school to a bigger school, or one that can cope with a child who has diabetes.

We then move to secondary school. Although secondary school is ever longer ago, we can perhaps remember what we were like as teenagers, and the reality is that people do not want to be different when they are at secondary school. They do not want to admit that there is something that they cannot do, particularly if they are male. The reality, however, is that, with the right treatment, there is nothing that they cannot do. However, if they cannot, for whatever reason, do what they need to do, they will have difficulties doing what they wish to do.

We then come to the third stage—higher education. Things are different again when people go up to university. They may break the link with their home-town medical support, whether it is a GP or a consultant. They suddenly come into a university environment, which is very different from the home environment. The encouragement to do all the things that a diabetic should not do, in terms of when and what to eat and how much to drink, becomes that much greater. Young students with diabetes have reported to me that whatever medical support services there are at universities lack an understanding of that pressure, so there needs to be some improvement in that area.

The right hon. Member for Knowsley rightly mentioned the NICE guidelines on insulin pumps, and it is worth realising what they say, because they are quite limiting, in terms of the number of people who can be prescribed pumps. The guidelines recommend that the therapy be used when every other treatment has failed. Someone who has not got on well with injecting insulin or medication will be put on an insulin pump as a last resort. The NICE guideline for children under 12 says that they

"can have access to insulin pump therapy if multiple daily injections are considered impractical or inappropriate."

There are lots of incidences of young children finding that injections are impractical and inappropriate because their school cannot help them, but their cases do not always come to light.

The criteria are very narrow. In many respects, a child should be put on a pump as soon as they are diagnosed—that should be done straight away, no question. What seems to be holding us back is not simply the cost of the machine, which is about the size of an iPhone, and which is permanently attached, giving the wearer a small dose of insulin throughout the day so that they can go off and do everything they want without having to worry about syringes, needles and all the rest of the paraphernalia. What is important, however, is that pumps have proper back-up from technical and medical staff who understand them, and that is where there is a big gap. The all-party group on diabetes came across the case of a child on a pump who lives in Portsmouth, but who is supported by a hospital in Leeds.

Claire Perry (Devizes) (Con): I apologise for missing the start of the debate, which is particularly topical, given that my hon. Friend the Member for Salisbury (John Glen) and I had a meeting with the JDRF this morning and discussed the very point that the hon. Member for Torbay (Mr Sanders) raises. I was struck by a number of points, which I hope that he will agree with. One is that the importance of what he has just said about managing the disease in a far more cost-effective and efficient way cannot be overstated, and we can have remote monitoring of blood sugar and dosage levels with a pump. The most shocking thing that I have heard is that although our wonderful scientists in Cambridge are developing an artificial pancreas, which is an amazing breakthrough that will mean a mechanical solution to type 1 diabetes, UK citizens will not be able to avail themselves of the technology. Pump usage is only at about 4%, including among the young group that we are discussing, but levels of pump take-up in the US and other areas are as high as 40%. It is absolutely self-evident from the point of view of cost-effectiveness and long-term treatment that the adoption of pumps should be a high priority—

Mrs Linda Riordan (in the Chair): Order.

Mr Sanders: The points about take-up were also made extremely well by the right hon. Member for Knowsley. Getting in place the support systems for pumps will help those who make decisions about budgets locally to ensure that the equipment is there and in play for everybody who is prescribed one.

In a sense, the great hope for the future is a pump that also tests blood sugar, adjusts the dose accordingly and communicates, if the patient wishes, with a medical professional about what is happening to the patient's body. When that happens, clinicians will be able to gather much more information from diabetics, rather than just hearing what they have to say. Of course, people will tell their GP, "I'm doing everything you said I should," but the reality may be just a little different, so that new information will take things much further forward.

In conclusion, I have a couple of questions for the Minister. How much notice does his Department take of international comparisons regarding care and research? The hon. Member for Devizes (Claire Perry) mentioned the fact that take-up here is much lower than in the United States. Should that factor be taken into consideration when we discuss what are appropriate treatments and what budgets should be? What efforts are being made to co-ordinate international research into effective treatments and a cure for diabetes? A cure may be a long-term possibility, but it would be silly if several different countries, with several different groups of taxpayers, funded the same research at the same time. Some international co-ordination would be in everybody's interest.

Once again, I thank the right hon. Member for Knowsley for securing the debate. I look forward to hearing the Minister's response.

Several hon. Members *rose—*

Mrs Linda Riordan (in the Chair): Order. I hope to call the Front-Bench speakers at 3.30 pm.

3.17 pm

Siobhain McDonagh (Mitcham and Morden) (Lab): I can assure you, Mrs Riordan, that I will not speak for that long.

I want to highlight the impact that diabetes, like all chronic conditions, has on not only the individual, but their family, friends and community. That is particularly relevant, given the age at which people are being diagnosed with type 1 diabetes and the huge increase in the number of children who are diagnosed with it. About 25,000 children in the UK have type 1 diabetes. Some 98.6% of children and young people with diabetes have type 1. The incidence of type 1 diabetes increases by about 4% each year. The biggest increase is in children under the age of five, among whom there has been a fivefold increase in the past 20 years.

When children are diagnosed with diabetes, it has a profound effect on their families. The parent group, Children with Diabetes, did a survey of parents, in which 85% said that their household income had gone down; 83% said that they had problems with their marriage and family life; 84% said that their child's treatment was affected by where they lived; 71% said that they were concerned about long-term complications; 60% said that their children were most worried about being seen as different, as the hon. Member for Torbay (Mr Sanders) said; and 50% reported that their children had been bullied at school as a result of suffering from type 1 diabetes.

My right hon. Friend the Member for Knowsley (Mr Howarth) asked me to contribute to the debate because of its importance to him as an individual. That made me think about constituents I have seen and the problems that they have had. My hairdresser, who is a very important person in my life, told me that his niece, Sophia, was diagnosed with type 1 diabetes at the age of five. There was no history of diabetes in the family. The family spent ages completely terrified, wondering what the problem with their young daughter was, only to find that she had type 1 diabetes. Her mother, Nicole, tells me that she came home on the day of diagnosis with a load of equipment, not knowing what to do or understanding the consequences. She knew that she had to give up her employment, because she could not control the diabetes and did not know the consequences for her daughter. Her husband had to accept the fact that, unlike other married couples, they could not leave their daughter with other people, because those others were frightened about knowing how to care for her. Nicole was concerned about just not knowing how the family would approach routine family life, celebrations, festivals and even Christmas.

Nicole told me today that the single thing that was of benefit to her was the recently set up parent group at St. George's hospital in Tooting. The scales fell from her eyes as the clinical paediatric nurse, Richard Todd, told her how she could cope with Christmas—all the food and treats of the period—and how she could have access as a carer to discount cards, which no one had told her about in the past, although her daughter has had type 1 diabetes for seven years. She could also just meet other families and mums, and discuss the consequences, for them and their family, of their children's diabetes. If there is anything I would ask the Minister to do, it is to consider the fact that St. George's will not carry on the parent support service, because it does not feel able to keep Mr Todd's services. I am sure that there are many demands on the hospital, but that parent group—just from one parent's perspective—had an enormous impact.

The other time when a problem begins to arise in a family's life is when children transfer from primary to secondary school. While having a pacemaker, or another condition, might affect a child's school preference place, despite having type 1 diabetes Sophia did not obtain a school place in the Minister's constituency, although her mum and dad wanted her to go to school there so that they could be close at hand if anything happened and so that all the burden would not fall on the school. At the school, in turn, there was a fear about having Sophia there. Of course, with the transfer to secondary school the issue of puberty comes into play, with its impact on the treatment of type 1 diabetes, and the need to understand whether mood changes result from the illness or the normal changes that any teenager goes through.

[Siobhain McDonagh]

Having a child with type 1 diabetes can also have a financial impact. I know from other families who have been to see me that that can involve simple things such as school uniforms. One mum who came to see me bought the uniform for her daughter who was going to secondary school, only for her to be diagnosed with the condition over the summer holidays; in that period she lost two or three dress sizes. Apart from the sheer fear that that must have created, the financial impact for a single mum on benefit is huge. There are implications for all the things that we would want to happen: getting mums back into work; flexible working; the need to work close to home; and the need for the wider family to understand things. I am sure that that is only a small and perhaps secondary consideration, but in the treatment of this chronic disorder, diagnosed in children so young, it has a huge impact for the wider family. The soft services of parent groups, which might be seen as less important in times of financial restraint, are crucial in enabling parents to understand the difficulties and problems, and in preventing some of the problems that other families have probably been through.

3.23 pm

Barbara Keeley (Worsley and Eccles South) (Lab): It is a great pleasure to serve under your chairmanship, Mrs Riordan, for the first time, or certainly the first time in my experience. I congratulate my right hon. Friend the Member for Knowsley (Mr Howarth) on securing the debate.

We have heard a number of telling statistics about diabetes. As has been said, of the young people and children who have diabetes in the UK, about 98.6%—a very large proportion—have type 1 diabetes. It is estimated—and it is a pity that we have to talk of estimates, and do not really know the true figures—that type 1 diabetes affects more than 25,000 children and young people. As we have heard—there are some very useful definitions—it is a chronic condition, which can be life-threatening, and which occurs when the body's immune system attacks insulin production cells in the pancreas. It is usually diagnosed in childhood, but as with most other conditions children are often kept waiting for a diagnosis. People must live with and manage the condition for the rest of their lives. Even when it is managed through regular injections, type 1 diabetes can bring long-term complications, such as heart disease, stroke or blindness, as my right hon. Friend the Member for Knowsley mentioned.

Claire Perry: On that point, a shocking statistic that I was told this morning is that the management of the disease is so sub-optimal that it is estimated that more than 80% of relevant children have blood sugar levels that are too high, despite the best efforts of their parents, the community, hospitals and support groups. That has enormous long-term health and economic consequences. Surely better management of the disease at an early stage would save the children, the family and the taxpayer enormously in the long run.

Barbara Keeley: Indeed, and we heard earlier that the incidence of type 1 diabetes is increasing by about 4% each year. The biggest increase is in children under five. A fivefold increase in the past 20 years, as my right hon. Friend the Member for Don Valley (Caroline Flint) said earlier, is a matter of great concern. It is important that more attention be paid to helping GPs, pharmacists, other health practitioners and teachers to identify type 1 diabetes in children and young people. As with many long-term conditions, early identification is the key, because the later the diagnosis of diabetes, the greater the impact.

My right hon. Friend the Member for Knowsley asked the Minister in an Adjournment debate on diabetes last week to introduce protocols for GPs on dealing with certain symptoms. That would ensure that GPs were better equipped to diagnose diabetes. The Minister said then that he would consider the point and would have more to say on it during today's debate. I hope that we shall hear his answer.

As we have heard, the Government's NHS White Paper proposes to give GPs the power to commission services, instead of primary care trusts, which will be abolished. I have raised on a number of occasions recently the fact that there is great concern that many GPs do not have the depth of knowledge required to commission specialist services for conditions such as diabetes. GPs may not have the skills, experience or desire to assess whole-population health care needs, to manage the market, to negotiate contracts and to monitor performance. That is becoming a key point of concern, because GPs did not necessarily come into medicine to do those things. Indeed, I understand that the Royal College of General Practitioners is urging the Secretary of State for Health to put back his plans for GP commissioning. The college's report on the Government's consultation has unearthed "major concerns". That is in line with the responses from medical charities such as Rethink and campaigns such as the Muscular Dystrophy Campaign, which also have concerns that GPs lack the skills and experience for commissioning across such a range of conditions.

There are also concerns that in taking on such a wide role, GPs' primary role of making diagnoses and providing patients with all the information and support that they need could be affected. Some of the statistics are already becoming a cause for concern. Surveys by Diabetes UK have found that 20% of young people feel that they rarely, if at all, discuss their goals for their diabetes care during check-ups. Further, only 26% have attended a course to help them learn about managing their diabetes. The essence of managing a long-term condition is recognising that people must become expert patients. If they are young, their family members must become expert carers. Will the Minister outline what steps the Government will take to make sure that GPs are better equipped to diagnose conditions such as type 1 diabetes and to continue, and improve, their support for people with the condition?

There is a clear need for people with diabetes to be given better information about how to manage their condition. The hon. Member for Torbay (Mr Sanders), who chairs the all-party group on diabetes, has tabled early-day motion 72, which notes that 65% of the 2 million people in the UK with diabetes are not taking their medication as prescribed, because two out of three do not understand what those medications are for or how to take them. We have heard from my hon. Friend the Member for Mitcham and Morden (Siobhain

McDonagh) what it is like to land at home with a host of medications, without having a real idea of what to do with them.

Mr Sanders: It is helpful that the hon. Lady has raised that point, because it is an important element of the issue. There are enormous savings to be made by preventing wastage, but we are not just talking about tablets—there is also medical equipment. Increasingly, people with chronic conditions depend on medical equipment. Being able properly to take and analyse a blood sugar reading is a very important aspect of a diabetic's ability to treat themselves.

Barbara Keeley: Indeed. I understand that the early-day motion argues that people with diabetes have a right to expect a personalised information prescription, so that they receive clear and consistent information on diabetes, which will enable them to start to understand their condition and treatment options.

Will the Minister outline what action the Government plan to take to ensure that the NHS at a local level provides diabetes care and support in line with the standards set out in the EDM? The Minister will know that I am always concerned to ensure that we consider carers' issues in the House, and my hon. Friend the Member for Mitcham and Morden has just touched on some of those issues. We should consider the effect that long-term conditions, such as type 1 diabetes, have on family members and carers. My hon. Friend described it as a soft issue, but carers are the backbone of support for children and young people in this situation, and there is an impact on them.

The Juvenile Diabetes Research Foundation states:

"Type 1 diabetes pervades every aspect of a person's life."

Of course, it also affects their family. As we have heard, everyday activities, such as eating and drinking, which are often difficult enough with children—particularly young children—involve much thought and planning on the part of carers of children and young people with type 1 diabetes.

My hon. Friend the Member for Mitcham and Morden mentioned the survey carried out by the parent group, Children with Diabetes. As she said, it found that 83% of parents said that their family life was affected by a diagnosis of type 1 diabetes—quite understandably—and 84% of parents said that the treatment that they received was affected by where they live. That should not be the case; we should not have a postcode lottery. Some 60% of parents said that their children were most worried about being seen as different—children are, of course, always worried about that—and, most worryingly, 56% reported that their children had been bullied as a result of having type 1 diabetes.

The hon. Member for Torbay talked about the stigma associated with treatment by injection. Clearly, bullying in schools can be a result of stigma and perceived difference in children. That is of great concern. Diabetes UK has found that many parents of children with diabetes are forced to give up work, for reasons outlined in today's debate. In a recent survey, half of primary school pupils with type 1 diabetes and a third of their secondary school counterparts reported that their parents had to reduce their hours or give up work to help to administer insulin injections.

The report also revealed that two thirds of primary school pupils and four fifths of secondary school pupils questioned think that school staff do not have enough training in diabetes. That is not surprising given the findings of an earlier 2008 survey of primary schools. It found that 42% of schools that had children with diabetes did not have any policy advising staff about the supervision of blood glucose monitoring by the child, 48% did not have a policy advising staff on how to help carry that out, 41% did not have a policy advising staff on how to supervise medication of any sort, and 59% did not have a policy advising staff on how to give medication. So the load is falling directly back on to the parents, because the schools do not have a policy.

When we consider type 1 diabetes, it is important to look at the people around the child or young person with the condition and to consider the level of support, information and training that is needed. The children's charter for diabetes states that discrimination in education should end and that children with diabetes should be treated with respect. I hope that the Minister agrees with that sentiment.

As I say, one of the major concerns among diabetes charities and groups, such as the Juvenile Diabetes Research Foundation, is the postcode lottery that they feel exists regarding the treatment of type 1 diabetes. We have talked a lot in this debate about insulin pump therapy, because that is rightly viewed as the gold standard of treatment for the condition. Insulin pump therapy reduces hypoglycaemia and long-term complications, and it can make life easier. As we have heard, the treatment involves a bleeper that delivers small amounts of insulin throughout the day.

Those pumps are a cost-effective treatment that can help reduce contact with primary care, reduce hospital out-patient and in-patient admissions and, most importantly for children and young people, deliver a better quality of life. As we have heard, less than 4% of the population with type 1 diabetes use a pump. As right hon. and hon. Members have said, that figure is far below the level of use in Europe, where it is at 15% to 20%, and the United States, where it is at 35%. In fact, given the number of children and young people who go on holiday to the States, it is likely that they will run into pump therapy when they are there. Of course, people also read about the therapies available in other countries on the internet.

It is clearly important that insulin pump therapy becomes available. As we have heard, it can be used by adults and children over 12 and, as my right hon. Friend the Member for Knowsley mentioned, NICE guidance also recommends that children under 12 with type 1 diabetes have access to insulin pump therapy if multiple daily injections are considered impractical or inappropriate.

The hon. Member for Torbay provided a vivid description of the stigma, bullying and other issues that arise in school. For example, he mentioned how hard it is to find a clean and private place in which to administer injections. I have touched on the difficulties of schools not having policies, and teachers not supervising the situation. Clearly, children of almost any age will almost always find it impractical in a school setting to administer injections. In those cases, insulin pump therapy will always be better for the child or young person.

[Barbara Keeley]

As we have heard, it is worrying that there is considerable inequity in insulin pump provision across the country. My hon. Friend the Member for Mitcham and Morden talked about the figures released this month by the Medical Technology Group, which show that there is a postcode lottery, in terms of access to insulin pumps in the UK. We can compare the cost of insulin pumps, which are £3,000, with the cost of bariatric surgery for the morbidly obese, which is about £7,000. Both of those treatments have beneficial effects, save the NHS money and improve the quality of life for the patient. Bariatric surgery use has increased tenfold from 2000 to 2007 but, as we have heard, our levels of prescribing insulin pumps are only a quarter—or a fifth—of levels of usage in Europe. Given that GPs are to take on a commissioning role, will the Minister state what action the Government plan to take to ensure that insulin pumps become much more readily and evenly available across the UK?

I would like to thank the Juvenile Diabetes Research Foundation, the Eye Health Alliance, Diabetes UK and, of course, the Members' Library for their excellent briefings on the subject, which have helped us all in today's debate. I started my preparation for the debate not really understanding very much about the condition, and particularly how it affects children and young people, and I feel that I do understand it now. Given the number of people involved with the issue in every constituency and the prevalence of the condition, all hon. Members should understand it as well as I hope we will by the end of the debate; the discussion has been excellent from that point of view. I pay tribute to the children and young people who are living with this condition, and to their parents. I hope that through this debate and the questions that we are asking the Minister, we can improve the service and support that they receive from health and other services in future.

3.37 pm

The Minister of State, Department of Health (Mr Paul Burstow): I congratulate the right hon. Member for Knowsley (Mr Howarth) on securing the debate and, indeed, on taking part in last week's debate. He has brought a sharp focus to an issue that is often not debated—even when we discuss diabetes, it gets rather lost in the broader picture.

I have a constituency interest in the matter. Before the general election, a number of children in my constituency who were supported by Diabetes UK wanted to make me aware of what could be done in schools and families to support them better. There are beacons of hope and places that are doing exceptionally good things that make a huge difference. However, as has been well documented in the debate, there is clearly a lot of work to be done. I have a lot to say in response to the very many good points that have been made in the debate.

It is helpful that the debate is not just grounded in the technicalities of the issue, but grounded in the life experiences of individuals. We have heard such points made by the hon. Member for Mitcham and Morden (Siobhain McDonagh), the right hon. Member for Knowsley and, of course, my hon. Friend the Member for Torbay (Mr Sanders), who has direct experience of the matter. That is powerful because when it is done well, it helps to give a real sense of the difference that can be made to a person's life—they no longer have to be defined by the condition; they can get on with their life. I hope we share that goal as we discuss how to shape services going forward.

I pay tribute to Diabetes UK and the Juvenile Diabetes Research Foundation, which, through the speeches of hon. Members from all parties, has contributed to the debate and does much well beyond that. This is a welcome opportunity to focus on a condition that does not get the same headlines as cancer, cardiovascular disease or, for that matter, type 2 diabetes. It presents a threat not only to children's health but, as we have heard in the debate, to their well-being and, in turn, that of their families.

The debate has rightly focused on what we can do to improve matters. The right hon. Member for Don Valley (Caroline Flint), who understandably has had to leave to attend to other business, raised a few points with a policy emphasis that were rather churlish, but I understand that they were well meant. I am sure that she and I will have an opportunity to debate those on another occasion.

Mr George Howarth: I am loth to rise to defend my right hon. Friend the Member for Don Valley (Caroline Flint), on the grounds that she is more than capable of defending herself, but the key issue that she raised was not too party political; it was about how young women are viewed and how they respond to the pressures to conform to a particular body shape.

Mr Burstow: I will come shortly to the point, which was absolutely well made, and certainly line up with the right hon. Lady's comments on that. As has been mentioned, the Minister for Equalities has done a sterling job on behalf of the Government to place the issue at the front and centre. She has not resiled from the issue and will continue to pursue it as she has done so far. I was more anxious about that concern being aligned with the Government's direction of travel on GP commissioning, which I will return to because it was raised, quite fairly, in the debate.

We have heard today about type 1 diabetes—a complex, lifelong, progressive condition that requires careful long-term management to prevent the severe and sometimes fatal complications that have been described. A 2009 survey of children with diabetes in England revealed that 23,000 children and young people currently have type 1 diabetes. There has also been a national diabetes audit, which included a separate report on paediatric diabetes that gives us a fair picture of the extent of childhood diabetes and how well it is being managed. Although Britain has one of the highest numbers of children diagnosed with diabetes in Europe, we have one of the lowest numbers of children controlling their diabetes well, and we have heard what the implications can be for those children and their families. That is extremely worrying, because poor glucose management increases the chance of the child experiencing complications. I echo the view, expressed by many Members in the debate, that that is an area where we can make significant and sustained improvements. I want to describe what we are trying to do about that.

The first question is: how can we ensure that more children receive an early and accurate diagnosis of diabetes? The challenge for GPs is that type 1 diabetes

can be difficult to spot. A child might present with the vague symptoms of extreme tiredness and weight loss, which can be mistaken for other illnesses. Type 1 diabetes is quite rare, so GPs might not come across many cases in their practice. That explains why there have been instances of the sort that have been described today: tragic cases of symptoms being overlooked and children diagnosed only after becoming seriously ill.

The National Patient Safety Agency is currently looking at a number of reports of misdiagnosis and delayed diagnosis and is working with the national clinical director for diabetes to look at what we can do to improve diagnosis rates and reduce emergency admissions. Clearly, we will have to look at protocols and how they might serve as a tool that can be used, but we need to ensure that the work is properly concluded before we decide whether that is an appropriate mechanism.

It is true that building professional awareness is key to improving diagnosis rates. We need GPs and A and E staff, in particular, to consider diabetes as a possibility when they see children with appropriate symptoms, and we must ensure that they are equipped with a range of diagnostic tools to do so. NHS Diabetes, the improvement body for diabetes care, is working with various royal colleges and other bodies to improve professional standards and ensure that best practice is reflected in their training curricula. NHS Diabetes is also working with Diabetes UK to publish best practice guides on how a child with type 1 diabetes should be cared for. Therefore, material is being generated that will help a wide range of professionals not only in the NHS, but in education and social services, to recognise the symptoms and understand what good care looks like. In addition, the Juvenile Diabetes Research Foundation has been placing posters in GPs' surgeries, highlighting the signs and symptoms to help people recognise the condition.

Once diagnosed, children need a combination of high-quality clinical care and wider support to ensure that they manage their diabetes effectively. I concede that across the NHS we have a mixed picture, as has been well described. That is the picture the Government have inherited, and we are determined to improve it. Children with diabetes often need multiple referrals to different specialist services, so well integrated multidisciplinary care is crucial to service delivery.

The right hon. Member for Knowsley broke the ground for the building of the centre in Aintree that he described, which I understand will bring diabetes clinics closer together and make it much easier to access those services. We want to see more such centres of excellence. I welcome that development but stress, rather as he did, that too often the focus is on how many hospitals, doctors and nurses there are. Beds and buildings are not as important as good services, particularly when it comes to managing long-term conditions such as diabetes, as well co-ordinated and well thought-out services that are closer to the patient and can respond to their personal circumstances and fit around their lives will meet their needs better.

Barbara Keeley: While preparing for the debate, I noted that my right hon. Friend the Member for Knowsley (Mr Howarth) and the hon. Member for Torbay (Mr Sanders) are lucky enough to represent the two parts of the country where integrated health and social care is thought to be working the best. While talking with the King's Fund the other day, I learned that there are only six places in the country where it is judged to be working that well. On GP commissioning—several Members touched on this point—how can the Minister ensure that that will improve, because our fear is that that major, top-down reorganisation will mean that those five or six places will be the only ones in the country?

Mr Burstow: Had I turned to the next page in my brief, I would have reached an answer to that question, so I will come back to it in a moment. My final point about care is that the latest paediatric diabetes service survey suggests that the picture is improving. It is important to stress that there is movement in the right direction, but there are still deficiencies.

On the question of GP commissioning and how we better integrate the commissioning and joining up of services, a point that the hon. Lady and others have missed in much of the commentary on the White Paper is the clear intention for local authorities to hold a new role in assessing population need. That assessment will be critical to the future of the commissioning of health and social care and to the new role of local authorities in public health, which is key to early prevention of type 2 diabetes. The notion that there is fragmentation and atomisation is far from the truth. The intention is to ensure that we have that alignment of services, which would be much better achieved through the partnership between local authorities and GP consortiums.

Mr George Howarth: I recognise the problem to which the Minister refers, but Knowsley primary care trust and Knowsley council, for example, already have a number of integrated posts; the chief executive of the PCT is also the director of social services. The process that the Minister is seeking to create through the reforms to a large extent already exists in places such as Knowsley, yet it seems that they will undo what has already been created.

Mr Burstow: As the hon. Member for Worsley and Eccles South (Barbara Keeley) has already said from the Front Bench, that is not the norm but the exception. We want that to become the norm. The point is that that has not happened everywhere. We need approaches that ensure that we design services in ways that involve all the key players, including clinicians and local authority social services, where appropriate. That is the ambition of the White Paper.

We want to unleash the potential of GPs by aligning them much more closely as commissioners with the services. I note that the Juvenile Diabetes Research Foundation supports the White Paper and sees it as a key way to lever the changes that Members have argued for in the debate. It sees the reforms as an opportunity to secure things that are not delivered under the current NHS architecture, such as insulin pumps, and I certainly wish to ensure that that happens.

Mr Howarth: I apologise for making so many interventions, but I want to make this simple point. One of the consistent themes in this debate has been that the weakest link in the system for treating young people with diabetes is the service that GPs provide, particularly in diagnosing diabetes in the first place. I cannot see the

[Mr George Howarth]

logic, from a diabetes point of view, in handing all the power and control to people who do not understand the disease.

Mr Burstow: The right hon. Gentleman and the Juvenile Diabetes Research Foundation seem to be in different places. The foundation takes the view that the condition is best managed through primary care. As I said, we must upskill, ensure that the signs and symptoms are better understood, and use the clinical skills of GPs more effectively.

Barbara Keeley: Will the Minister give way?

Mr Burstow: I will give way in just a moment—I want to pick up on another point. I am surprised that the hon. Lady keeps going on about GP commissioning, when it was her Government who introduced practice-based commissioning. We are building on those reforms, and see them as an essential way of ensuring that taxpayers' money is most effectively geared to delivering the best possible health outcomes for people with diabetes and other conditions.

Barbara Keeley: I do not think that Opposition Members are alone now that the Royal College of General Practitioners has expressed major concerns about GP commissioning and is pleading with the Health Secretary to put the reforms back.

I want to raise a point about local authorities and coterminosity with PCTs. We have a better coterminosity situation—and have struggled to get to it—but I know that some local authorities around Greater Manchester will be faced with having not one but two, four or five GP consortiums. As I said, health and social care integration is working in places such as Knowsley and Torbay, where great work has been done to bring things together. The fragmentation is coming out because of the nature of the reorganisation.

Mr Burstow: Again, I do not recognise that characterisation, in that coterminosity does not exist in many parts of the country under the current model. As the hon. Lady has rightly said, integrated models of care, and collaborative approaches and behaviours are not present in many places. The desire and intent behind the White Paper is to make them the norm.

I want to do justice to this debate. We could have a debate about the White Paper, and I am sure that at some point the Opposition will choose to do so. If they do that, we would be only too happy to meet them point by point, but I want to talk about some of the key developments that will bear down on this problem and really help to transform lives.

The coalition Government want to make a significant move in respect of their commitment to introducing a much stronger payment system for children's diabetes services, which will help to bring them out of the shadow of other NHS services. As a start to the process, a new mandatory tariff, which we plan to introduce in stages from April 2011, will recognise paediatric diabetes care as a clear and discrete specialism within the NHS, and will provide a clear funding stream to support such services over the long term.

At present there is a non-mandatory tariff, which was rushed in for April 2010, but it is wholly inadequate because it fails to take into account the complex nature of paediatric care, which this debate has articulated. As a result, under the current system, many paediatric diabetes services either continue to be under-resourced—we have heard about that today—or are funded through other budgets. Hence, they can sometimes be relegated to a second-class status in the NHS. The new tariff, as part of a more patient-focused funding model, will help to put us on the right track.

Mr Alan Campbell (Tynemouth) (Lab): Will the Minister give way?

Mr Burstow: I will. The hon. Gentleman has listened to the whole debate, and I appreciate the fact that he has done that.

Mr Campbell: We have reached the point about money, and I can assure the Minister that the first concern of a parent of a child diagnosed with type 1 diabetes is the health of the child, not money. My hon. Friend the Member for Mitcham and Morden (Siobhain McDonagh) discussed support for families. May I ask what representation the Minister has made to the Department for Work and Pensions on disability living allowance, which is available to many families of young people with type 1 diabetes?

Mr Burstow: I obviously have many conversations with colleagues in the DWP, but as that is the first occasion on which that matter has been raised in this debate, and as I want to do justice to other speakers, I shall move on to ensure that I answer their questions.

Let us deal with family support more generally. The hon. Member for Mitcham and Morden took us through some of the statistics; the impacts on families' lives are truly disturbing. We need to ensure that appropriate and tailored support services are in place, including the right support for carers.

I am concerned that where peer support services are provided, they are not given priority. However, not all peer support services need funding; they need willingness and support to ensure that they carry on. I would certainly commend peer support as one of the ways in which people can cope with self-care and the ongoing management of the conditions that have been discussed in this debate.

Let me deal briefly with emotional support for children in particular, and the children's charter, which has been mentioned several times. My hon. Friend the Member for Torbay spoke about the impact of a diagnosis at a young age. Part of that comes back to providing proper emotional support in formal settings—schools and other settings. We must ensure better alignment in the way that we develop our thinking around public mental health strategies, and we will be saying more about that in a cross-Government strategy on mental health later this year. I am sure we will want to pick up, at least in thematic terms, on the public health issues in the White Paper that we will publish, also later this year.

I very much welcome Diabetes UK's children's charter, which will help to establish the kind of support that children and young people need to help them cope.

Also, a guide has been developed to help commissioners ensure that children with diabetes receive the emotional and psychological care that they need.

In the last four minutes, I want to speak about insulin pumps. The right hon. Member for Knowsley rightly raised that key issue in the debate and in an article that he published today. The National Institute for Health and Clinical Excellence has clearly recommended pump therapy for children and young people if daily injections are not working. Frankly, I am disappointed and shamed that many primary care trusts are dragging their feet on making pumps available. That should have been sorted out; I should not have to come to this Chamber to explain why that has not been done, given how long the recommendations have been there. It is a pity that the delay was not challenged more in the past, and that the previous Government did not get around to sorting it out. I expect to see real improvement in this area as a result of the new funding arrangements that have been discussed in the debate.

My hon. Friend the Member for Torbay raised some important points about obstacles, and I want to ensure that, through the all-party group on diabetes, we have further conversations about what we can do to kick down those obstacles, and to ensure that the important research on artificial pancreases that is being done in this country is not undermined by the treatment not being available because there is not a route through the pumps. That point has been powerfully made in the debate, and I want to ensure that we follow through on it.

Research has been touched on in broader terms, and I want to mention a couple of examples of work that is being done at present. We are looking at how to provide better psychological support for children with diabetes, and how we can improve education and training in diabetes for children and families. We are also funding a major trial on the effectiveness of insulin infusion treatments versus standard injections. Alongside that, there is a vibrant third sector investing in research.

We have heard about work at Cambridge university to develop an artificial pancreas to reduce the risk of hypoglycaemia in children and adolescents. The link to telehealth that my hon. Friend the Member for Torbay referred to is important, and I want to ensure that the message is clearly understood and that we build it into some of the work that the Department is doing. I am about to run out of time, so I will have to write to my hon. Friend about international research.

Hon. Members raised points about schools. I shall elaborate in more detail by writing to all those who have taken part in the debate, but it is key that schools understand their responsibilities in respect of well-being and safety, and that they provide appropriate support for children who need to take medication at school.

The Government are determined to improve care for type 1 and type 2 diabetes. This is not something that we will put on the back burner. We have inherited a legacy but intend to build on and really improve those services.

Inter-city Express Programme

4 pm

Phil Wilson (Sedgefield) (Lab): I asked for the debate today to give voice to the north-east's campaign to ensure that the inter-city express programme is allowed to go ahead, due to the economic impact it would have on the region. It would have profound implications for the north-east because the investment would be the biggest in the north-east since Nissan in the 1980s. That is how important it is, not only for the north-east, but for the rail infrastructure and the UK economy at large. Hitachi has already said to me in writing that the preferred site for the factory to manufacture the trains would be in Newton Aycliffe in my constituency.

My area's involvement in the railways goes back to their beginning. Locomotion No. 1 travelled along the railway line a few hundred yards from the potential factory site on its way to Darlington in September 1825 to start the Stockton and Darlington Railway. That is how long my area has had its historic relationship with the railway. For something like 160 years, train building was a massive industry in south Durham, just a few miles away from Newton Aycliffe at Shildon wagon works, which closed in 1984 with the loss of more than 2,000 jobs. The inter-city express programme provides us with the opportunity to bring train building home.

In 2007, the Department for Transport issued an invitation to tender to transform the UK's inter-city train services and replace the outdated diesel high-speed trains that have provided the service since the 1970s. Agility Trains, a joint venture between Hitachi and John Laing, won that contract. Agility Trains will deliver state-of-the-art super-express trains based on the highly successful 395 Javelin trains in Kent, which have recently won a Passenger Focus independent survey for being the best trains. Hitachi also manufactures the bullet train in Japan.

If the programme goes ahead, Hitachi will build a purpose-built factory in my constituency alongside the second largest industrial estate in the north-east. The best way of describing the inter-city express programme is as a service and supply contract to provide new trains and a dramatic improvement to the inter-city services on the east coast main line between London, south Wales and the south-west. The contract was privately financed and managed on a pay-as-you-go basis, which means that payments are not due until the trains are delivered in 2015, after the next election. The cost of the service is spread over 27 years of operation, with payments made on a per train, per day basis. Payments depend upon delivery of a clean, reliable and fully serviceable train, thereby ensuring that the interests of the supplier—Hitachi—and the passengers are aligned.

The programme will deliver a significant increase in seating capacity, a reduction in journey times and a huge increase in reliability and comfort without need for hugely expensive track upgrades. It will also mean that passengers will be able to travel on trains that do not dump toilet waste on the track. We need to move on from the Austin Allegro era of technology.

On 26 February 2010, a written ministerial statement said that Sir Andrew Foster would subject the inter-city express scheme to a value-for-money assessment. On

[Phil Wilson]

6 July, the Secretary of State for Transport published the results of that assessment:

"Sir Andrew suggests that the inter-city express proposition is 'positive and attractive' in a number of ways. He suggests that the PFI-style funding arrangement is novel and well aligned in terms of financial incentives. The faster acceleration and longer carriages would have a positive impact on network and passenger capacity, and the specification has also taken network sustainability and environmental imperatives seriously."

Sir Andrew raised some technical questions about the trains, but the Secretary of State said:

"I see this as a lesser issue". [*Official Report*, 6 July 2010; Vol. 513, c. 10WS.]

Hitachi has been working closely with the Department since July regarding the issues raised by Sir Andrew, and I am sure that they can be resolved. It wants to simplify the bi-modal technology for example, to bring down costs. Bearing that in mind, the economic case for the inter-city express programme to go ahead is significant.

Not only will the programme bring improved rolling stock to the railway infrastructure, which is required in the 21st century if the economy is to grow, it will also mean so much to the economic growth of the north-east. The programme helps fulfil the Government's stated aim of rebalancing the north-east economy in favour of private sector growth. Public financial input will not be needed until after the next election, and will be recouped through the innovative financial formula Hitachi has drawn up.

Some argue that it should be left to the train operators to acquire the trains they need, but, surely, economy of scale means that this proposal is the cheaper option, and it offers sufficient volume to attract a major manufacturer to the UK. Therefore, it goes some way towards meeting the Government's stated aim of growing the private sector—something we all want to see—and Hitachi will put in the investment up front. If the inter-city express programme goes ahead, and I know that the Minister cannot give an answer today, Hitachi has said that its preferred site is Newton Aycliffe. In a letter to me, it stated that, on a range of criteria, including required land size, test track availability, road access, proximity to deep sea ports, local labour availability and flexibility, and ease of business with local and regional agencies and authorities, County Durham and Newton Aycliffe scored highly. That is a tribute to the people of Newton Aycliffe, to local decision makers, and to the north-east's ability to attract foreign investors, of which there are 500, about 100 of which are in County Durham.

However, what benefits will Hitachi bring to the region? Some 800 direct jobs; up to 9,000 jobs in the supply chain, seven out of 10 of which will be in manufacturing, mainly in the region but also nationally; and for every £1 of investment there will be £48 return over 20 years. Hitachi will start building a £90 million purpose-built factory next year. Some 200 construction jobs will be generated, and private sector investment precedes any public sector investment, which will be over a 20-year-plus period. Over two decades, the region will benefit in net gross value added terms by £660 million, and Teesport will also benefit because some components will be imported from Japan.

The inter-city express programme will replace the rolling stock on the east coast main line. As someone who uses the east coast main line weekly, I know that the rolling stock needs replacing. At present, demand outstrips supply on the line. With rail travel from the north-east to London costing three times as much as flying, and as there are no longer flights from Durham Tees Valley airport to Heathrow, but only from Newcastle, there is an acute problem that needs to be remedied. The new carriages with extra passenger capacity will help to resolve the problem.

The 800 jobs will help to pump much needed expenditure into the local economy through wages. Newton Aycliffe town centre is going through a period of regeneration, and the boost to the local economy that Hitachi offers will help see the local shops boom and breathe new life into the town. Newton Aycliffe has the skills that Hitachi requires. The recent global economic downturn has seen many people with those skills put out of work. The initiative will help to put those idle hands back to work.

I have said that the initiative will match some of the Government's stated objectives—rebalancing the north-east economy in favour of the private sector and providing work to those who have skills, as well as offering apprenticeships to our young people who do not have those skills. The Government want to create 2 million private sector jobs in the next five years, and this initiative will help to do that. The programme is private-sector led. Hitachi has also committed to using local suppliers first and foremost. If it goes ahead, the investment and the presence of Hitachi will provide the north-east with the largest private sector investment since Nissan 25 years ago.

The issue has united the north-east in a campaign to ensure that the inter-city express, and Hitachi's presence in Newton Aycliffe, goes ahead, and to put the case for the region. The groups that have got together to do that include: North East chamber of commerce; Durham county council, with the support of the leaders of the Conservative and Liberal groups, as well as the controlling Labour group; the Federation of Small Businesses; the northern TUC and Unite. They have come together to promote the importance of this project to the north-east. *The Northern Echo* is running a "back on track" campaign because this is so important to local people. A petition launched by the partners is attracting thousands of signatures.

The Secretary of State for Transport has kindly agreed to meet a delegation of business people from the north-east next Tuesday so that we can again make the case for the opportunities that the proposal will provide for the north-east. The partnership has produced a report stating the north-east's case for the inter-city programme to go ahead, and I sent a copy to the Minister earlier today. I hope that she found it useful. The north-east has learned over the years to stand up for itself, and is saying "We're here and we can do the job." Hitachi, one of the biggest companies in the world, has faith in the region, and I hope that the Government also have faith in it.

The right hon. Member for Berwick-upon-Tweed (Sir Alan Beith) said:

"I welcome Hitachi's interest in building rolling stock in the North-East, and I very much hope the project will go ahead—it would bring enormous benefit to our region."

In a letter to me, the Minister of State, Department for Business, Innovation and Skills, the hon. Member for Hertford and Stortford (Mr Prisk) said:

"I am pleased that Hitachi has announced publicly that it intends to establish a new train assembly plant in the UK, should the Intercity Express Programme go ahead. We recognise that this would represent a significant boost to the economy in your constituency. This is to be welcome."

The Foreign Secretary said in a speech in Tokyo on 12 August:

"I am...here to announce the significant new emphasis that the British Foreign Office will give to providing direct support to the UK economy, helping British business secure new opportunities in the emerging economies and putting our diplomatic weight behind British enterprise as well as helping to bring Japanese and other investors to Britain."

He went on to say:

"We will work alongside British businesses and the rest of Government and other Governments around the world to use our political influence to help to unblock obstacles to commercial success".

The Secretary of State for Transport met the president of Hitachi, and the Japanese ambassador, and talks have taken place between our Prime Minister and the Prime Minister of Japan because the issue is so important for bilateral relations.

I understand that a decision on the programme will be made as part of the comprehensive spending review. Will the Minister tell me whether the announcement will be part of the statement, or ancillary to it? How are the talks with Hitachi going since the Secretary of State made his written statement in July? How does the Department's position marry up with the Foreign Secretary's position that everything must be done to attract Japanese companies to Britain, and to remove any obstacles to that? What prospect does the Minister see for the north-east's economy if the proposal does not go ahead?

I am not a deficit denier, but one way of solving the problems of the deficit is to increase the economy by increasing the private sector. The inter-city express programme and the Hitachi plan for locating in the north-east would do just that. When the decision on the inter-city express programme is eventually made, I hope that those who make it know the difference between slimming and starving, because starving the north-east's economy is not the answer.

I am here today to promote the interests of my constituents and those of the north-east. There is great support in the region throughout businesses and parties. I hope that the Minister will consider these representations when her colleagues make the final decision on the inter-city express programme, and that they make the right decision. I believe she knows that that is to let the project go ahead.

4.12 pm

The Minister of State, Department for Transport (Mrs Theresa Villiers): I congratulate the hon. Member for Sedgefield (Phil Wilson) on securing this debate on this important issue.

4.13 pm

Sitting suspended for a Division in the House.

4.38 pm

On resuming—

Mrs Villiers: Before the interval for voting, I was congratulating the hon. Member for Sedgefield on his passionate support for the IEP. I thank him for the correspondence that he has sent to the Department, setting out a number of the points that he has raised, and for the report that I received today on the case that he has prepared for the IEP project. I am grateful for all of those. My colleagues at the Department and I will be giving serious consideration to all the points raised in the report and in today's debate.

I welcome the fact that the hon. Gentleman, alongside a delegation from his constituency and around the north-east, is due to meet my right hon. Friend the Secretary of State for Transport to put these points to him directly. The coalition Government have made it clear that rail has a key part to play in our transport strategy. Although our priority has to be tackling the deficit that we inherited, the Government fully recognise the significant economic benefits generated by investment in transport infrastructure—a point that has been explicitly acknowledged by the Chancellor of the Exchequer. Nevertheless, we must apply a rigorous cost-benefit analysis to all our planned infrastructure projects, targeting investment where it makes the most difference and where it will generate the greatest economic benefit.

That is the background against which we need to assess the future of the IEP. There can be no doubt that the project has encountered a degree of controversy since the previous Government embarked on it over half a decade ago. The objective was, as we have heard, to replace Britain's fleet of InterCity 125 trains, and to invest in capacity and passenger journey improvements on the east coast and Great Western lines. The procurement process began early in 2007, and two years later, Agility Trains was announced as the preferred bidder. An important component of Agility is Hitachi, the manufacturers of the Japanese bullet train.

As we heard from the hon. Member for Sedgefield, Hitachi simultaneously announced its plans to build the new train order in the UK. This summer, the company announced that its preferred site for a new manufacturing facility is Newton Aycliffe in the hon. Gentleman's constituency. As he has explained, that town has historic ties with the railways. As we heard today, Hitachi has said that it proposes to use the site in County Durham to bid for orders abroad, and has aspirations to export British-built trains to Europe. The parallel with the successful model used by many Japanese car manufacturers is obvious; it is a very positive example of what can be achieved. As the hon. Gentleman explained, the facility has the potential to create hundreds of new jobs, and potentially many more in supplier industries. He has put the case articulately and strongly for the economic benefit that will accrue to his constituents and the wider north-east.

Of course, such inward investment would be very welcome and entirely consistent with the Government's stated goal of rebalancing the economy and promoting manufacturing industry. I take on board the strong points that the hon. Gentleman made about the skills base in the north-east, and how appropriate it would be to support a facility of the kind that Hitachi has announced the intention to build.

However, the hon. Gentleman will, I am sure, appreciate that the decision on the IEP needs to focus on objective and established procurement principles—namely, on whether the project provides the right solution for passengers

[Mrs Villiers]

and the railways; whether it delivers value for money, compared to the alternatives; and whether it is affordable for the taxpayer.

In its original form, the order would have been the single largest procurement of rolling stock ever, and one of the biggest private finance initiative transactions in British history. During the later part of 2008 and 2009, the capacity of the debt market contracted and the previous Government decided that it would be better to split the transaction into smaller parts.

The deteriorating state of the debt market was just one of the challenges that faced the project. A further issue arose when the previous Administration changed their mind on electrification. Having published in 2007 a long-term plan for the railways that had a limited role for electrification, the Government put out the tender for a fleet, with a significant proportion of diesel trains as part of the IEP proposal. Two years later, at the height of the contractual negotiations, the Government announced they had changed their views and proposed to electrify. That meant that the order had to be changed to an electric and bi-mode mix, which led to an increase in costs. By the time Labour left office in May, £26 million had been spent on consultancy and preparation costs, without the contractual close stage even having been reached. That has caused a degree of concern.

The project was in some difficulty when the previous Secretary of State, the noble Lord Adonis, decided to commission an independent review by Sir Andrew Foster. When it was published in July, the Foster report presented a measured and thoughtful analysis of the relevant issues. As the hon. Gentleman has correctly pointed out, Sir Andrew had some very positive things to say about the IEP. He described the proposition as "positive and attractive" in a number of ways. He described the PFI-style funding arrangements as

"novel and well-aligned in terms of financial incentives".

He concluded that faster acceleration and longer carriages would have a positive impact on network and passenger capacity. He acknowledged that the specification had also taken network sustainability and environmental imperatives seriously. Unfortunately, he also had some concerns about the project. He concluded that the previous Administration had made a number of mistakes on the programme. In particular, they did not engage the railway industry well enough and had sought to micro-manage the process. Importantly, the Foster report also highlighted that although the project has always exceeded the Department for Transport's economic thresholds, its value for money has seen a decline over time, while its costs have increased.

Mr Edward Timpson (Crewe and Nantwich) (Con): Although I acknowledge and am extremely sympathetic to the case made by the hon. Member for Sedgefield (Phil Wilson) on behalf of his constituents and the north-east, is the Minister considering carefully Sir Andrew Foster's conclusion that he is not convinced that all credible alternatives to IEP have been identified? He sets out the case in his report for a short-term IC125 refurbishment, which would be both cost-effective and technically feasible. The skills, buildings and infrastructure enabling that work to be done already exist in places such as my constituency of Crewe, where Bombardier can already carry out that work.

Mrs Villiers: My hon. Friend's intervention is timely, as I am just about to come to that point. As he rightly says, Sir Andrew did make some points about the possible alternatives to the current IEP proposition.

In response to Sir Andrew Foster's report, my right hon. Friend the Secretary of State for Transport announced that the Government would use the period up to the spending review to give further consideration to the future of the IEP. In accordance with Sir Andrew's recommendations, the Government are reviewing all the credible options in light of value for money, affordability and their compatibility with the plans for further rail electrification. That means careful consideration of how the IEP proposal could be reduced in cost, and evaluating alternative ways of addressing the problem that the IEP was designed initially to solve—that is, how to address the problems surrounding the ageing high-speed train fleet. As my hon. Friend points out, the alternatives include the possibility of refurbishing and extending the life of the existing InterCity 125 rolling stock. In that regard, compliance with disability deadlines will be an important factor to bear in mind in the assessment.

Mr Kevan Jones (North Durham) (Lab): Is the right hon. Lady suggesting that the north-east should once again get second best, while the constituency of the hon. Member for Crewe and Nantwich (Mr Timpson) is, I think, served by a line with brand new trains?

Mrs Villiers: I am saying that we have to carry out a very careful assessment of what the right outcome is for this programme, and what the right way is to address the problem of the ageing InterCity 125 fleet. That is what the Government are doing at the moment.

Ben Gummer (Ipswich) (Con): One thing was omitted from the original planned routes for the implementation of IEP, and that is the inclusion of the London-Norwich line, to the great disappointment of the people who live along it. The problem is that the rolling stock is not only ageing, as is that of the high-speed train fleet, but actually the cast-offs from the main lines to the north-east and north-west. If the routes are to be renegotiated, I hope that the line will be included, but I have to say that this is a lunatic way to procure trains. We heard about the Austin Allegro, famously specified by civil servants. I would not like this to be a similar instance of specification by civil servants that is not suitable for industry.

Mrs Villiers: Many parts of the network would like to have extra capacity, and I shall take my hon. Friend's concerns on board as a representation. Regarding additional projects of that sort, it clearly all depends on what proves to be affordable, but we intend to learn lessons for the procurement process from the experience of the IEP.

As regards reappraisal of the original IEP concept, the Department has listened with great care to the ideas put forward by Agility on how to improve the value for money of its proposition, and I would like to put on record our sincere thanks to Agility for the diligent and constructive work that it has done, in contributing to both the Foster review and the re-evaluation process that followed. I am very aware that the issue is taken seriously in Japan.

Phil Wilson: Does the right hon. Lady agree with me that the answer is not to give the existing rolling stock a lick of paint, but to invest in the infrastructure? The rolling stock has been around since the 1970s, and the technology that we have brought on board through Hitachi is cutting-edge. The trains that it uses are comparable with the Javelin ones used in Kent, which are some of the best in the country. The kind of technology that Hitachi wants to bring on board is suitable for people in the north-east of England and elsewhere who would benefit from it.

Mrs Villiers: I can assure the hon. Gentleman that the respective merits of the different options will be carefully and rigorously considered before a decision is made. This entire debate will be a helpful contribution to the decision-making process.

The hon. Gentleman mentioned that the Secretary of State for Transport has met the president of Hitachi, as has the Secretary of State for Business, Innovation and Skills. I have discussed the project with the former Japanese Minister for Transport, and the Minister of State, Foreign and Commonwealth Office, my hon. Friend the Member for Taunton Deane (Mr Browne), discussed the matter on a visit to Japan. We are taking the concerns of the Japanese Government on board in discussions on the process. Agility's proposals are due shortly, and they are likely to include plans to standardise the design of the new trains, as was recently reported in the railway press. I am also advised that Agility expects to offer a significant cost-saving, while still meeting the specification that it was originally asked to meet. We will then be able to complete our assessment of both the IEP and the credible alternatives on an equal footing.

In conclusion, I would like to assure the hon. Gentleman that the Government will take into account the representations that we have received from him today, and the representations in the report that he has submitted to us, along with those that he and colleagues have made in the past. The decision on the future of the IEP will be made on the basis of the fullest possible evaluation of all the relevant matters. I am, of course, well aware that the recent period of uncertainty has been a cause for concern to those with an interest in the project, such as the hon. Gentleman and his constituents, and the Government really appreciate the patience shown by all concerned, not least Agility Trains. However, there is a complex interaction between the IEP and other key programmes under review as part of the comprehensive spending review. In light of that inescapable fact, it seemed impossible to make a sensible and objective decision on the IEP in isolation from the conclusions that we have to reach on those other interdependent projects, and from the overall decisions on the resources available for transport infrastructure.

Although the stage that we have reached means that I cannot give the hon. Gentleman all the answers on the programme, as he has kindly acknowledged, the Government are anxious to resolve the matter, and we will convey the decision to the House as soon as we can, as part of the spending review process in October. I thank the hon. Gentleman again for his contribution, and I look forward to continuing discussions with him on the subject. As I say, we will report to the House as soon as is practical regarding this decision, which is crucial not just for the north-east but for the future of the railway network in this country.

Fresh Produce Procurement (Prisons)

4.55 pm

Gordon Henderson (Sittingbourne and Sheppey) (Con): I am really pleased to have this opportunity to highlight an issue of some concern to me and, I hope, to convince the Government to put right a couple of misguided policies introduced by the previous Administration. Ministers not only have an opportunity early next year to take action on at least one of those policies; they also have the opportunity to promote the localism agenda that is at the very heart of the coalition agreement.

Until 2007, prisons were supplied with fresh produce by local suppliers, one of which, Brambledown (Kent) Ltd, is based in my constituency of Sittingbourne and Sheppey. Indeed, Brambledown used to supply a wide range of fruit and vegetables to both the Sheppey prison cluster and a number of other Kent prisons. In 2007, the then Government changed their procurement policy for prisons. They scrapped local supply contracts and introduced a national framework contract. That contract was awarded to a company called 3663 First for Foodservice, which is part of a multinational group based in South Africa.

I would have understood the logic of the previous Government changing their procurement policy if such a move was designed to save taxpayers' money, but written answers that I have received to questions show that not to be the case. In the two years prior to the changeover, the average annual cost to the public purse for the provision of fresh produce to prisons was £8.7 million, whereas in the three years after the changeover it was just over £9 million. What those figures show is that the only people who appear to have lost out in this deal are the local suppliers who have seen their business plummet in the past four years.

To give an idea of the extent of the impact that the Government's policy had on individual companies, Brambledown (Kent) Ltd saw its annual income from the Prison Service drop from £345,000 in 2004 to just £375 in 2008. I have spoken to a number of prison governors and they have confirmed what I suspected, which is that the service and quality of food have not improved under the national procurement regime, and prisons have lost their much-valued link with local suppliers. I think that if the Minister were to ask governors, he would find that many of them would welcome the opportunity to purchase more of their fresh food locally, because it enhances their position in their local community.

Of course, one advantage of buying from local suppliers is that often much of the produce is grown locally, which leads me neatly on to another aspect of the previous Government's procurement policy: the Government's lamentable record on supporting British farmers, producers and processors. The Department for Environment, Food and Rural Affairs publishes statistics that show the proportion of domestically produced food both used by Departments and supplied to hospitals and prisons under contracts negotiated by the NHS supply chain and the National Offender Management Service. Coincidently, the latter was established in 2007, the same year as the food procurement policy for prisons was changed. Or perhaps that is not a coincidence, because the decision to change the procurement policy and the decision to create the National Offender Management Service were, in my view, equally misconceived. Setting aside the merits of those particular policies, the statistics contained in the DEFRA document make interesting, but very depressing, reading, particularly coming as I do from a constituency in the garden of England with a sizeable farming community.

Let me quote a handful of product groups from DEFRA's statistics. Just 2% of poultry used by the Prison Service comes from British producers. A miserable 18% of pork meat is home bred. If we think that is bad, it gets worse. The proportion of orchard fruit, which includes apples, pears and plums, that the Prison Service sources from domestic producers is 0%. Not a single apple sourced by the Prison Service comes from domestic producers, and the same goes for soft fruit and bacon, which to my mind is scandalous and deeply unpatriotic.

No doubt I will be told that foreign produce is cheaper, but I do not accept that argument; cheap is not always best. It might be that buying French Golden Delicious apples instead of Braeburn apples from Kent is superficially advantageous. However, when one considers the harm being done to British farmers by this policy and the impact that transporting fruit and vegetables long distances in chilled containers has on our carbon footprint, buying local starts to make an awful lot more sense.

I hope that my hon. Friend the Member for Reigate (Mr Blunt), the new Prisons Minister, and his colleagues in other Departments will pursue a different procurement policy from that of the previous Government, who set a very bad example. How can we expect consumers to support British farmers if Ministers are not prepared to do so? Let us not forget that it is taxpayers' money that Ministers are spending. I am pretty sure that British taxpayers would much prefer their money to be spent on British food.

I urge my hon. Friend to do two things that would make him popular not only with farmers in my constituency but with the public at large. These days, being popular with anybody is a very rare thing for a politician. First, I should like the Minister to issue a guidance note to his Department officials instructing them always to purchase domestically produced goods unless doing so would place a disproportionately high burden on the taxpayer. Secondly, I should like my hon. Friend to refuse to renew the national framework contract when it comes up for renewal next May, and instead revert to a system of allowing prisons to enter into contracts with local suppliers. Pursuing such policies would help to promote the coalition Government's localism strategy, and that must be worth a brownie point to any Minister.

5.3 pm

The Parliamentary Under-Secretary of State for Justice (Mr Crispin Blunt): I congratulate my hon. Friend the Member for Sittingbourne and Sheppey (Gordon Henderson) on securing this important debate, and I am grateful to him for providing me with the opportunity to examine our strategy in this area and to see whether it should change when the contracts come up for renewal next May. There is a significant attraction in my hon. Friend's arguments. Anyone arguing for a politician to be popular is likely to be on pretty strong ground. He helpfully outlined his arguments to the Ministry of Justice, which has enabled me to provide a comprehensive answer to him.

Before I focus in depth on my hon. Friend's remarks, I should like to respond to the point he raised in a letter to me in September concerning Brambledown (Kent) Ltd. He kindly told us in private that we appeared to have missed that company off the list of contracted suppliers, which gave me the opportunity to examine the position without public embarrassment to the Ministry if we got our answer wrong. He was correct to say that Brambledown did not appear on the list of contracted food suppliers. The reason for our response, which did not mention Brambledown, is that it was not a contracted supplier to the National Offender Management Service, but it continued to supply the Sheppey cluster of prisons under existing local ad hoc arrangements. That continued until an electronic ordering system was introduced in 2007-08, which brought the transitional arrangements to an end.

Contracted suppliers are those who are awarded contracts to provide goods to prisons following a fairly contested tender process, which ensures that they meet minimum criteria and are capable of meeting the Department's requirements. The response listed 18 fresh produce suppliers who were contracted to supply prison sites.

Despite the charm and skills with which my hon. Friend made his case, there is a strong argument for the existing method of supply. Food supply contracts that are awarded by the Ministry of Justice, particularly those for prisons, are not just a straightforward matter of whether the supplier operates on a national or local basis. There are many key factors in deciding the best approach and I should like to share a few of them with the Chamber.

Operational concerns are very much at the forefront of our decision making. It is worth remembering that discontent about the quality of food, changes to menus, and failure to deliver what was previously promised have been known to be the catalyst for serious disturbances. As well as being a key issue in control, food demonstrably contributes to prisoners' overall well-being. A high proportion of prisoners are from socially excluded sections of the community, with lifestyles that are more likely to put them at risk of ill health than the rest of the population. Many have never registered with a doctor or a dentist, have drug habits and/or mental illness and live chaotic lives without a stable home. Prison gives an opportunity to improve the health and lifestyle of prisoners to the benefit of all, and diet is a major component of a healthy lifestyle.

Prisons aim to provide food that is nutritious, well prepared and served, reasonably varied and sufficient in quantity and that also meets a range of religious and cultural needs. Inadequate portion sizes, lack of variety and poorly cooked food can contribute to serious complaints and dissention. Providing prisoners with the opportunity to choose a healthy, nutritionally balanced diet, with enough knowledge to make informed choices, is important because prisoners can be in custody for long periods and are largely dependent on prison food.

Then there are the commercial and supply chain considerations. In the 2009-10 financial year, the Department spent around £60 million on food for prisoners. Although that is a big sum in itself, it amounts to an average cost of just £2.22 per prisoner per day for all food and beverages. Given that contaminated food can have disastrous consequences among a closed prison population, those costs have been achieved against a background of tight regulation and control.

I could go on with the list of factors that require consideration, and I have not even begun to touch on the environmental footprint of the vehicles that deliver food. The point is that any contractor appointed to supply food to prisons must meet all of those stringent criteria. Typically, smaller suppliers do not have the organisational infrastructure and resilience to meet the requirements day in, day out, which results in a higher proportion of contracts being awarded to larger suppliers.

Before moving on, I should also point out that the choice of a supplier that operates nationally as opposed to just locally does not mean that the produce is not sourced locally. That is an issue for our supplier—in this case it is 3663. National operators draw heavily on domestically produced food and will obviously use it when it makes commercial sense to do so. It is also not the case that our arrangements cause unnecessary mileage in delivery. National operators often have regional depots and use them to keep their mileage and costs to a minimum. Because those depots can carry the full range of products required by a prison, they are able to send just one vehicle to that prison, whereas several vehicles would be used by a number of locally based suppliers to fulfil the same overall requirement.

I will now turn to the specifics of the current food supply arrangements serving prisons. The Department uses two contractors to fulfil its requirement for food: The first of these, 3663 First for Foodservice, provides groceries, fresh produce, chilled and frozen food. The other supplier, Hovis, provides fresh bread and morning goods. Contracts with those suppliers have operated since 2007 and they offer 1,500 products for prisons to create meals with.

The delivery of products is only the beginning of the meals service. The 128 public sector prisons in England and Wales employ about 1,050 catering staff and 3,500 prisoners to prepare the food for more than 75,000 prisoners each day of the year, which amounts to more than 82 million meals a year, all served at predetermined times through 900 service points. That service is particularly challenging, given the tight financial constraints that prison kitchens must operate under.

Prisoners are provided with three meals a day, choosing from a multi-choice, pre-select menu system that is compiled to cover a minimum of four weeks. That menu format takes account of seasonal variations and prisoners' preferences, and it is capable of meeting differing dietary requirements, such as vegetarian, vegan and religious meals.

Prison governors bear the ultimate responsibility for prisoners' diets. They are required to approve food as being fit for service to prisoners and to approve local food budgets. The prison kitchens are run by catering managers, who are responsible for implementation of standards, training of staff and control of the food budget.

Gordon Henderson: I hear everything that my hon. Friend has said and it is quite logical. He says that it is the governors' responsibility to ensure that inmates receive proper food. However, why is it that the governors themselves would prefer to revert to using local suppliers?

Mr Blunt: I heard what my hon. Friend said about that issue. I confess that, in the visits to 20 or so prisons that I have already made, I have not discussed the issue

[Mr Blunt]

of food supply with governors. Food supply has not been raised with me directly as an issue of concern for the governors. Following this debate, however, I will make my own inquiries on my future visits to prisons as to whether there is an issue about food supply. I am looking at all the services that are provided in prison, to see whether nationally provided services are better than locally provided services or not.

I will quite happily share my prejudice that I would prefer it if things were locally managed and locally resourced. As far as I am concerned, there needs to be a pretty high test to move to a nationally provided system. As my hon. Friend will have gathered from the tenor of my remarks, on the basis of what I have seen so far the argument that I am making is that I actually think the national food service supply chain that we have at the moment is meeting that test. However, as I get to the end of my remarks I may give him a little glimmer of hope.

More than 20,000 items of food are ordered each week across all temperature ranges. That means that the total cost of the delivery of food per day tops £230,000. To put that into perspective, it is equivalent to visiting a cash and carry warehouse to empty the shelves each day. Even if such visits were practical, there could be no guarantee of the consistency or the completeness that the prison environment demands.

The supply chain infrastructure to support this volume of food is significant and yet it also manages to deal with a wide variety of prison locations. Those locations range from Victorian prisons, which have small entry gates, low arches and limited turning space, to prisons in city centres and prisons in rural areas, which are accessed by small country lanes that vehicles have to negotiate. Few prison buildings are conducive to the delivery of the volume of food that is required and yet deliveries must be made each day, without fail, to ensure the continued running of the prison.

As I mentioned previously, food deliveries are made from a number of regional supplier depots. The deliveries are consolidated as far as possible, given the constraints that I have just outlined, so that the number of gate openings and associated security risks are minimised. Each delivery can take up to two hours to complete, depending on the security and regime of the prison. For that reason, deliveries are centrally co-ordinated to an exacting timetable. That maximises the efficiency of deliveries and minimises their impact on the prison operation.

Hovis and 3663 have introduced consistent working practices in their depots for their contracts with us. That means that each depot is easily able to support other regions in the event of a supply chain interruption. The two suppliers that are in place have been rigorously tested through open and fair competition, to ensure that they are capable of managing deliveries into prisons and can support those deliveries with robust contract management. There is little as challenging in this field as procuring food for the 82 million meals that are served in prison each year, given the limited facilities offered by prison kitchens and the tight financial constraints that they have to operate under.

The food suppliers comply with central specifications, to ensure that all food that is delivered is of good quality, safe and free from any contamination. Products are tested, where appropriate, to ensure that quality and quantity standards are met.

Reliable management information gives prisons the assurance of safety, traceability, provenance and quality that they need for the prison regime to operate with confidence. Central to that relationship between prisons and suppliers is the confidence that the suppliers can provide consistency. An undersize apple handed out at the servery will create issues of order and control, so we use suppliers that are sensitive to that need and that use their sourcing ability to maintain consistency from their supply base.

I apologise to my hon. Friend, who is a representative of the garden of England, that I used the example of an apple just now. *[Laughter.]*

Gordon Henderson: Will my hon. Friend say whether he feels that a Braeburn apple from Upchurch in my constituency will upset prisoners more than a French Golden Delicious apple?

Mr Blunt: Happily, the effect of this existing contract is that that is not a matter for me; it is a matter for our supplier, which is 3663. It is its responsibility to procure apples for us. I do not know the details of its apple procurement contract and I am delighted that I do not have to know them. As I say, that is a matter for 3663.

It is very proper for my hon. Friend to pursue that point with 3663 on behalf of his local orchards—to ask, "Why not? Why are these local orchards unable to compete in that way?" Like him, I have a prejudice in favour of domestically produced food and as long as the interests of the taxpayer are protected, of course we should be buying British.

Both suppliers—3663 and Hovis—are large national organisations. That is appropriate to the needs of the Ministry of Justice in terms of volume, spend and complexity. An arrangement such as the existing one exploits the capabilities of large suppliers in terms of volume leverage, sourcing capability and relationships with brand manufacturers. It provides more product choice, given that large suppliers have access to wider product ranges and have a strong capability in procuring from specialist subcontractors, hopefully including suppliers of Braeburn apples.

There are some other factors to consider in the type of supplier tiering that is being promulgated. The EU procurement directives preclude the Ministry of Justice from negotiating with suppliers on prices, but the main contractors can negotiate with subcontractors on prices and pass on the benefits. In addition, small and medium-sized enterprises are spared the costs of having to conform to onerous public procurement processes and the costs of having to interface with Government e-procurement systems, because the main contractor does it for them.

Furthermore, the supply chain risks rest with the main contractor, which allows prison caterers and governors to focus on the day-to-day operation of their prisons. The unit prices currently paid by each prison reflect that. Consequently, they are homogeneous and fully inclusive of all risks. Unit prices also cover charges for keeping vehicles waiting and they do not vary according to the actual cost of delivery or indeed the number of deliveries.

Any attempt to base prices on local circumstances would introduce complications into budget allocation. In other words, prisons that could benefit from low delivery charges would have to release part of their budget to those prisons that would have to pay more because of their remote location.

Prices are carefully managed and are determined by the price of the raw commodity, the costs of processing and packaging, transportation and distribution costs, overheads and an element of profit, which is around 1%. The cost to serve the contract is spread across the total range of products, keeping administrative and management costs to a minimum. The cost to provide meals varies from prison to prison. That is due to the differences in the prison populations and the choice of products ordered, which vary depending on the age, sex and cultural mix in the prison.

I know that my hon. Friend regards value for money as being extremely important. Value for money is tested and secured throughout the life of each contract. Prices are examined through open-book reviews and by reference to commodity indices. The Ministry of Justice undertakes monthly product reviews to determine the optimum spend profile for each product area. Each opportunity to improve on efficiency or to save money, without detriment to the quality of the product, is thoroughly explored.

I am advised that overall this national contract, which is being maintained in an era of high food price inflation—10.5% in 2009 and 4.1% for the current year so far—will deliver £5.1 million of cash savings during the period of the contract, between 2007 and 2011. When inflation is factored in, the real savings to the National Offender Management Service run to tens of millions of pounds.

However, product price is not the only driver behind contracts. Underpinning them all is the need to support prisoners and rehabilitate them back into society. When 3663 recently opened a new depot in Kent, it sought prisoners on release to form part of its new team. Subsequently, 11 ex-offenders were employed in depot operations, benefiting the supply base, the community and the Ministry of Justice.

Social sustainability is only one element of the total cost to the Department. A false choice is often posited between value for money or efficiency and sustainability. Unsustainable procurement is not good stewardship of taxpayers' money. The Ministry of Justice is committed to reducing its impact on the environment by continuously improving the environmental performance of its operations and estate. For example, 3663 delivers virgin cooking oil to prisons. After use, the waste vegetable oil is collected by a national oil collection company and sent to a third-party operator for recycling and conversion into biodiesel, which is then returned to the 3663 depots, where it is used to fuel trucks loaded with supplies for delivery to prisons, thus completing the circle and reducing distribution costs for the Department.

The supply of food is of significant benefit in reducing risk and contributing to the overall objectives of the Ministry of Justice. Nevertheless, given the importance of food in prisons, we will re-examine how it is delivered and consider every option. If my hon. Friend, who has listened to my arguments in this debate as I have listened to his, can identify further proposals, I invite him to continue this conversation. It need not take place formally on the Floor of the House, but I am happy to listen to any further submissions that he wishes to make.

The timing of this debate is ideal, given that the current generation of contracts is due to expire in May 2011 and that planning is already under way. In considering every option, I want not just to look at the obvious but to challenge thinking on the issue. For example, most of what used to be a large network of farms and market gardens operating in prisons were closed in the past decade. There is certainly merit in revisiting the idea in order to make prisons more self-sufficient, lower costs, and get more prisoners working. About 425 prisoners already assemble some 100,000 breakfast packs every day as part of a supply chain developed with our current suppliers.

To conclude, this has been an excellent opportunity to discuss a subject that might seem uninspiring and that risks being considered simplistically. As I have outlined today, it is complex and of great importance, so I will be paying close attention to the development of policies and procurement strategies in the area. I welcome the attention that my hon. Friend has given it and the constructive contribution that he has made with this debate.

Question put and agreed to.

5.22 pm

Sitting adjourned.

Westminster Hall

Thursday 16 September 2010

[MR DAVID CRAUSBY *in the Chair*]

Biodiversity

Motion made, and Question proposed, That the sitting be now adjourned.—*(Richard Benyon.)*

2.30 pm

The Parliamentary Under-Secretary of State for Environment, Food and Rural Affairs (Richard Benyon): It is a great pleasure to serve under your watchful eye this afternoon, Mr Crausby, in this important debate during the international year of biodiversity. It is a crucial time to debate this vital subject.

Progress has been made, in some areas, both in the UK and internationally, to reduce the rate of loss of biodiversity. For example, 94.3% of sites of special scientific interest in England are now in favourable or recovering condition, and we have seen increases in species such as otters, bitterns and stone curlews as a result of conservation action.

However, the overarching global picture is stark. We know that the global target to reduce the rate of loss of the world's precious biodiversity by 2010 has not been met. Biodiversity continues to be lost at an accelerated rate as a result of human activity, and we know that that puts at risk the huge range of benefits that we get from the natural environment. That concerns us all, which is why my Department has made enhancing and protecting biodiversity one of its highest priorities.

Despite our growing knowledge of its value, the natural environment faces major challenges. For years, the economy and the natural environment have been pitted against each other as if they were competing choices, rather than being interdependent. Globally, it is estimated that the degradation of our planet's ecosystems costs us some £42 billion each year—a figure that could rise to the equivalent of 7% of global gross domestic product by 2050. We are choosing to lose the valuable benefits of a healthy natural environment on a massive scale. A vibrant natural environment is not a luxury for the good times—it is a necessity for economic recovery and sustainable growth in the long term.

At the international level, we are committed to helping to develop a post-2010 framework on biodiversity that will deliver progress where it matters—on the ground. Next week, my right hon. Friend the Secretary of State for Environment, Food and Rural Affairs will attend the United Nations General Assembly's special session on biodiversity. This will be the first time that biodiversity has had a day dedicated to it at the General Assembly, and that day will be the final day of the launch of the review of the millennium development goals. It is a particularly important event and an opportunity for us to highlight the interrelationship between biodiversity, poverty and development.

In October, the Secretary of State will lead the UK delegation at the conference in Nagoya of the parties to the convention on biological diversity. We will seek to agree demanding new global targets for biodiversity, among other things. The meeting in Nagoya represents a critical moment in the history of the convention, and in human history. We cannot afford to miss that opportunity.

In England, we will set out our plans for responding to the new international framework, and for taking action on biodiversity, in a natural environment White Paper—the first since 1990. Through the White Paper process, we will, by spring next year, develop a bold and ambitious statement that will outline the Government's priorities for the natural environment. We will do that by setting out a framework for practical action by the Government, communities, businesses and civil society organisations to deliver on our commitment. We want to develop new and imaginative solutions to tackling the problem of biodiversity loss, and to learn from the experience of others. We launched the discussion document on the White Paper on 26 July and are keen to receive views on it via our website or by post until 30 October.

Restoring and expanding priority habitats remains a major challenge if we are to tackle biodiversity loss successfully. We look forward to receiving soon Sir John Lawton's report, "Making Space for Nature", on the review of England's wildlife sites and ecological networks. It will help to inform our thinking on the way forward.

We know from progress updates that the review is likely to conclude that we do not have a coherent and resilient ecological network in England, but that establishing one will help to reverse the declines in our biodiversity and deliver many other benefits to society such as soil protection, clean water, flood attenuation and carbon sequestration. We will respond to the report's recommendations through the natural environment White Paper as part of our commitment to promoting green spaces and wildlife corridors to halt the loss of habitats.

Of course, we must also continue to protect the best of England's wildlife areas. As set out in our departmental reform plan, we are dedicated to protecting the green belt, sites of special scientific interest and other environmentally protected areas.

The Government are also committed to protecting marine biodiversity, which is central to the UK's economic and social well-being, as well as having intrinsic value. Our aim is to achieve clean, healthy, safe, productive and biologically diverse seas and oceans. To achieve that, we seek to address the decline in marine biodiversity and to allow recovery, where appropriate, by implementing a wide range of measures while managing competition between conservation and socio-economic needs.

Marine protected areas are one of the major tools that we will use to conserve biodiversity and associated ecosystem services. In August, the UK put forward to the European Commission 15 new European marine sites for designation. That increase means that 24% of English inshore waters will be covered by marine protected areas. Over the next period, four stakeholder-led regional projects will work to identify possible marine conservation zones.

Huw Irranca-Davies (Ogmore) (Lab): I very much welcome the announcement on marine protected areas that the Minister has repeated today. Will he give us a

[Huw Irranca-Davies]

brief update on the four projects, mentioning not only the tie-in with socio-economic factors but whether they will be able to generate, in short order, a good, ecologically coherent network of marine conservation zones, including some no-take zones?

Richard Benyon: I am grateful to the hon. Gentleman for his intervention. I hope that when we have implemented what he started in Government, he will find something of which he can be immensely proud, as the projects are very much his legacy. We are working well with the four areas. On occasion, I have in my office people who represent socio-economic groups telling me that we are going too far in one direction, and then green non-governmental organisations tell me that we are going too far in the other direction. That makes me wonder—I am only half joking when I say this—whether we might not be getting it just about right.

I am not ignoring the difficulties. I want to ensure that the projects work and that, where possible, we iron out difficulties. I am free to be candid with the hon. Gentleman and anyone else about where I believe those difficulties exist. Working with the stakeholders, I am trying to get around them all. I am determined to stick to the timetable for 2012, but I will not do that at the expense of getting it right; we have waited a long time for the projects, and I want to get them right. However, I think that we can do that in the time scale that we have given ourselves.

Huw Irranca-Davies: I welcome the Minister's reassurance, and I know that he shares my commitment. At the risk of sounding like I am giving advice from the subs' bench, the one thing that I would urge—helpfully, I hope—is that he ensures that the decisions taken by those genuine partnerships, where everyone has their say, are solidly underpinned by the right criteria, and by the right judgments based on the best available evidence on marine biology and biodiversity. We would be concerned if the outcome were diluted in any way, or if undue compromises were made.

Richard Benyon: That was a concern throughout the passage of the Marine and Coastal Access Act 2009, and it remains a concern for many people. The hon. Gentleman will remember the tortuous process that we went through to establish what we meant by "ecological coherence", but we have a clear description in the guidance now and I think that we can deliver on it. I hope that we will develop precisely that ecological coherence across the four projects, but he is right: they have to be underpinned by good science, not only for all the reasons that everybody knows about, but because they need credibility, and they will not be underlined with credibility if we have cut corners in any respect. Marine conservation zones, together with European marine sites, SSSIs, and Ramsar sites, will form part of the ecologically coherent network across the UK's waters that the hon. Gentleman envisaged when he took the Act through Parliament. We will work with devolved Governments in Scotland, Wales and—soon, we hope—Northern Ireland to fulfil our obligations across the UK.

The international year of biodiversity is about engaging people. We need to promote the importance of biodiversity to our economy and well-being, and encourage people to get involved in making a difference. That is why the Department for Environment, Food and Rural Affairs has been part-funding a partnership this year, hosted by the natural history museum, to support activities in the UK. Over 430 organisations are involved, all helping to raise the profile of biodiversity among the British public this year—for example, through a series of more then 30 BioBlitz citizen science events around the country, which have been engaging tens of thousands of people with the nature on their doorstep.

We know that protecting our biodiversity needs to be done in partnership. That approach will be even more important in the years ahead, and is already being put into practice through initiatives such as the campaign for the farmed environment, which genuinely has the potential to transform our countryside, protect local ecosystems and increase our native biodiversity. It is important for farmers to grasp this opportunity and prove that these important outcomes can be achieved by working with conservation groups and Government. The Lawton review will indicate what we are doing to protect SSSIs, nature sites and reserves, but we must recognise that 70% or more of the space between those islands of excellence is farmed. Many farmers are doing wonderful things, but the real gains in reversing the decline of biodiversity over recent decades will be made in those spaces.

In line with our commitment to shifting the balance of power from big government to big society, we will work closely with all interested parties—individuals, businesses, civil society groups, land managers, local authorities and many more—to articulate a new, compelling and integrated vision for sustaining and managing our natural environment.

The natural environment White Paper will set out a programme of action designed to put the value of the natural environment at the heart of Government and identify new ways of enabling local authorities and local communities to protect and enhance it. We need to consider biodiversity in the context of climate change, where biodiversity plays a hugely important mitigation and adaptation role. We also need to factor the value of ecosystem services, which are fundamentally supported by biodiversity, into our development and accounting processes.

We should value the contribution that biodiversity makes to our quality of life by inspiring and enriching our lives, and by contributing to our health and well-being. That is why the Government have supported the global study by leading economist Pavan Sukhdev, "The Economics of Ecosystems and Biodiversity". I recently met him and was interested to hear his wish that he had called it TEN—"The Economics of Nature"—rather than TEEB, as he believes that that is easier for people to understand than a title that includes the words "ecosystems" and "biodiversity". We understand what he means, and the value of the work that he is doing. We want to transpose the work that he is doing globally on to a UK, European and certainly English perspective.

We recognise that we need to harness the interest generated by Pavan Sukhdev's study and to maintain its momentum beyond Nagoya. That is why the Secretary of State for Environment, Food and Rural Affairs and the German Minister, Norbert Röttgen, are co-hosting a ministerial-level lunch in the margins of the United Nations General Assembly in New York next week. The

purpose of that is to encourage more countries to mainstream valuation in Government policy, maintain the momentum generated by TEEB, and identify initiatives and ideas for embedding the valuation of biodiversity and ecosystems in decision making across Government. As we are joined by two vice-presidents of the Global Legislators Organisation for a Balanced Environment, I want to pay tribute to the work that it is doing in, among other things, encouraging activity on governance so that we can try to embed such valuation in our thinking.

I am grateful for a recent meeting with GLOBE; there was some good thinking on the creation of ministerial posts and on accountancy—the machinery of government, if you like—aimed at embedding such valuing of our natural environment in what we do. There was also thinking on requiring Departments to develop natural capital inventories and to integrate the real value of natural capital into policy-making processes. That is important, and I look forward to taking forward that work with GLOBE and others.

The Darwin initiative has been running since 1993, and has provided over £79 million of financial support to 728 conservation projects in 156 countries. I met the chairman of the Darwin advisory committee, Professor Macdonald, earlier this week, and I hope that we can announce the next round of funding under the scheme later this year. He is one of the most engaging and impressive people I have met for a very long time, and I look forward to working with him on the important work that he and his committee are doing. We are also doing a lot of work on assessing the state of our ecosystems through the national ecosystem assessment. That includes studying how the value of our ecosystem services and biodiversity has changed over the past 60 years, and how it might change in future. It is only by understanding the past that we can plan for the future.

The way we deliver on our commitments will be placed in the context of our overall requirement to reduce the deficit and reflect the Government's plans for reducing regulatory burdens. We will have to await the outcome of the spending review to know what resources will be allocated to this important area. However, we know that we can no longer afford the costs to our economy and our quality of life that arise from a degraded natural environment.

The international year of biodiversity provides an ideal opportunity to focus on the challenges ahead and to develop workable solutions. It will take an ambitious and radical transformation in our economy, our society and the way we secure our future, but the prize is worth it, and essential for our well-being.

2.48 pm

Barry Gardiner (Brent North) (Lab): I, too, am pleased to speak in this debate under your chairmanship, Mr Crausby. Last year, the UN climate change convention met in Copenhagen. It attracted the most incredible media frenzy, and something of a political frenzy as well, as Prime Ministers, Ministers and politicians from all over the globe made sure that they had a suitable photo opportunity.

In a month's time, its sister convention on biological diversity will meet in Nagoya, Japan, to discuss why whole species are moving into extinction at a rate that, barring the loss of the dinosaurs, is unprecedented in the entirety of the fossil record of life on this planet. So far, the convention has met with total silence from the world's press—why? How do the world's most eminent scientists propose that we tackle the problem of extinctions?

One of the first things I was told in the Department that the Minister now occupies was the wonderful target that had been set to halve the rate of decline in species loss by 2010. That was the UK's national target. I said that that was wonderful and asked the civil servant what was the rate of loss that we were going to halve. He said that the rate of loss was not known, and I asked how we would halve the rate if we did not know what it was. He replied that we would use indicators. We started without a sufficient baseline. The European Union tried to bail us out, of course, and said that it would substantially reduce the rate of loss. That European target was a bit woollier. With such an assessment at the beginning of the project, it is not very surprising that we reached 2010 to find that even those indicators have not enabled us to say that we have had any real success.

Where will we go in Nagoya? Top of the agenda will be natural capital. I welcome the Minister's comments on the subject, and all that he said about the TEEB report and Pavan Sukhdev's astonishing work. We must take on board the fact that one of the great advances in the past 100 years in classical economics was acknowledgment that there is such a thing as human, social and intellectual capital. We have come to realise that a well functioning judicial system and an excellent education system are as much a part of the wealth of a nation as its roads, ports and factories. The irony is that economists and economies have not caught up with the most important capital—natural capital.

Natural capital may be defined as the benefits that accrue to human society from the different species of life that inhabit the natural world—the biodiversity that is the subject of our debate. Classical economics values things such as forests by adding the sale price of the timber that can be harvested, and the alternative use to which the land may be put. A pine forest in the mountains will be worth a lot less per hectare than a forest of oak and ash close to good arable land and a river. Soft wood pine sells for pulp or low-grade timber, but oak and ash sell for designer kitchens. The mountain land has few alternative uses, but river land may raise prime beef. So that is how forests are valued. Wrong.

The true value of forests lies in far more than that. They stop soil erosion, prevent flooding by absorbing moisture, and control climate, often regulating local as well as global weather patterns. They are a source of medicines and food, and they have recreational and aesthetic value. All that is before carbon sequestration has been mentioned. In the Millennium Ecosystem Assessment, 1,360 of the world's top scientists showed that classical economics captured only one third of the actual value of the services that forests provide. The same is true for rivers, reefs, salt marshes, mangroves and all other natural ecosystems. We fail to factor in their actual economic value to our policies and decision making, but because most of the other services that they provide are not bought or sold in markets, they are normally not taken into account, so the forests, reefs and rivers are lost or degraded.

[Barry Gardiner]

Another important consideration is that those wider benefits, although immensely valuable, do not accrue to an individual property owner. The benefits are experienced by a community at large. They are regarded as free goods by the wider economy and the wider community, which would no more think of paying for flood protection provided by the local forest than of paying for the air they breathe, which is also provided in part by the local forest. In classical economics, such free goods are called externalities, but because they are not directly captured by the landowner they do not feature in their decisions on how or whether to dispose of them.

Helen Goodman (Bishop Auckland) (Lab): My hon. Friend is making an interesting point. During the last Parliament, we updated the legislation on commons. The previous update had been during the 14th century, so it was in some need of reform. One of the most interesting issues that arose was that there are more SSSIs on common land than on private land because on common land people were under communal pressure to farm sustainably and that such pressure did not exist on private land. There is real-life evidence to back up what my hon. Friend is saying.

Barry Gardiner: As always, I was delighted to sit down when my hon. Friend stood up. She made an excellent intervention and highlighted the importance of seeing land, and land use, and land use change, in a fundamentally economic way, and looking at property ownership and tenure is absolutely part of that. All hon. Members in the Chamber and those who care deeply about the subject will know of the issues relating to indigenous people. There are different forms of communal property ownership in tropical forests throughout the world. That applies not just in this country, as my hon. Friend rightly pointed out, and it is essential to bear in mind the conflict that can arise from land tenure and the different forms of property ownership when considering the future of our tropical rain forests throughout the world.

A country may experience economic growth while becoming poorer, and an example may be helpful. A Government may sell a large timber concession to a logging company. They will achieve for that land only the classical measure of value for the logs or fuel wood, plus any alternative land use. The logging company, perhaps being afraid of political instability somewhere in Africa, may not even cut the logs into timber in the country itself. Instead, it may export them to a neighbouring state where it has a production factory that cuts the logs and produces furniture for export to European markets.

It is important to note that no one in this example has done anything wrong or corrupt. The Government have increased their export sales by the value of the logs and have seen a corresponding rise in GDP. The logging company has paid the market price for its logging concession and made a rational business decision about the management of the company's political risk. The neighbouring country happily welcomed the jobs and economic growth that come from the re-export of those logs as much more valuable furniture, but the original country is poorer. The value of the ecosystem services that it has lost is far greater than the value of economic GDP growth that it has achieved.

In 2000, Kofi Annan commissioned an assessment of the state of global ecosystems that aimed to describe and evaluate the full range of services that we as human beings derive from nature. In the Millennium Ecosystem Assessment, 1,360 scientific experts reported on the 24 key services on which human life depends. Of those, only four services were found to be increasing, 15 were assessed as being in decline and five were said to be stable although under strain in certain regions.

On the positive side of the balance sheet, agricultural production is increasing the amount of crops and livestock available to feed an expanding world population. On the negative side, marine fish stocks are dangerously depleted, fresh water is declining in quality and availability, and services such as pollination, pest control, soil stabilisation, climate regulation and air and water purification are all in marked decline.

Recognising that those essential services provide 50% of the GDP of the poorest people on our planet, the report pointed out:

"The loss of services derived from ecosystems is a significant barrier to the achievement of the Millennium Development Goals to reduce poverty, hunger and disease."

It concluded that

"human activities have taken the planet to the edge of a massive wave of species extinctions, further threatening our own well-being."

Just as the Millennium Ecosystem Assessment was being published in 2005, Hurricane Katrina hit the coast of Louisiana, killing 1,800 people, displacing 1 million more and causing damage assessed at up to $125 billion. The US army engineering corps is spending $16 billion on building a 350-mile long system of levees to replace those that failed in 2005. That failure was not due to a natural disaster; it was the result of 100 years of policy decisions supposedly to "improve" the navigation and economic efficiency of the lower Mississippi basin, and the consequent loss of wetlands that followed from that.

Today, the sewerage and water board of New Orleans plans to pipe thousands of tons of semi-treated sewage into a bayou to help to regrow a cypress-tupelo wetland and protect the lower ninth ward from flooding. Recently, the US army engineering corps made an astonishing admission: during Katrina, every levee that had wetland protection remained intact but every levee that had no wetland protection was breached.

It has been estimated that since the 1930s, 120,000 square miles of wetland habitat has been lost on the lower Mississippi basin. Currently, one acre—the size of a football pitch—is lost every 48 minutes. The wetlands are of various types, but a freshwater or intermediate marsh wetland is estimated to reduce surge swells during a hurricane by as much as 1 foot for every mile width of wetland. A cypress swamp wetland is estimated to reduce storm surges by an incredible 6 feet for every mile width of wetland. The ring of concrete and steel that is being constructed around the city at such enormous cost—$16 billion—sets in context the true value of the natural capital that makes up Louisiana's lost wetlands.

In 1956, the US Congress gave approval for the construction of the Mississippi river-gulf outlet—MRGO, as it is known locally. The economic case seemed overwhelming. The man-made navigational channel would connect the gulf of Mexico to the city of New Orleans,

bisecting the marshes of lower St Bernard parish and the shallow waters of the Chandeleur sound. That would reduce the passage by 40 miles and straighten the route, making it a safer and more efficient passage for shipping than the Mississippi river below New Orleans with its winding channels.

The habitats that the MRGO was cut through are shallow estuarine waters and sub-delta marshes. Much wetland was lost by the original excavation, but more importantly, the soil erosion and rise in salinity have led to the destruction of the cypress swamp. Ironically, the MRGO has not been the economic success that Congress supposed it would be. Today, it carries a mere 3% of the region's waterborne freight, with fewer than five passages a day. The US army engineering corps estimates dredging costs to be $22.1 million per year. That means that every vessel that passes through will cost $12,657 per vessel per day.

As early as 1958 the US Department of the Interior warned that

"the excavation of the (MRGO) could result in major ecological change with widespread and severe ecological consequences."

Ecological consequences—the process was not seen as a contribution to the economic debate surrounding the case for the MRGO, but rather as an unimportant, if factual, environmental comment. In those days, the concepts of natural capital and ecosystem services were simply not understood by legislators, but today we have no excuse.

What would a Government who incorporated the valuation of natural capital and ecosystem services into their framework of national accounting look like? What would they do differently? Principally, they would make explicit and visible the estimated value of nature's multiple and complex benefits. By incorporating that value into their procedures of decision making and cost-benefit analysis, the Government would provide a more complete evidence base through which to improve outcomes. Factors previously regarded as externalities would become essential elements of increased efficiency in policy design.

It is important to understand that the values of natural capital do not exist objectively and independently of a community of potential beneficiaries. Therefore, they cannot simply be imported into a set of national accounts as a constant given. However, that is equally true of other forms of capital and it should not be allowed as an argument against a proper valuation of ecosystem services. The kickback given by Finance Departments and Treasuries is always, "It is very difficult to estimate the value of a river or a forest." Well, it is difficult to estimate the value of a bridge. Nobody would try to measure a bridge by its height or length, but instead by the economic savings in time and fuel multiplied by the number of people who might use it as opposed to the alternative easiest route. One must estimate. It is the same with forests, wetlands, swamps and peat bogs, but the Treasury will always kick back and say, "No, it is too difficult." That is the area we have to look at.

In the same way, the value of a coral reef will vary, not only in accordance with the quantity of marine life that it spawns, but with the level of dependence that a community may have on it for food. It may also fluctuate in value in accordance with its suitability for use as a tourist destination generating recreational dollars. Thus, the value of natural capital in one part of the globe cannot easily be translated across borders. Economic values are not a property of ecosystems; they are a measure of those ecosystems' utility to human communities in a given geographical and socio-economic context. For that reason, Governments who take natural capital seriously would do well to estimate the value not of the ecosystem as such, but of the economic effects that a proposed or envisaged change might have were a particular policy to be pursued.

The successful integration of the value of natural capital into UK Government accounts could see the elimination of perverse subsidies in fishing and agriculture and in the use of nitrates and fossil fuels. It could create financial incentives to encourage proper environmental management that preserves ecosystem services and a rigid application of the "polluter pays" principle throughout industry. To achieve that, a number of undertakings would be required from the Government, and, in that respect, I thank the Minister for the positive and constructive meeting that we had with GLOBE the other day. As he knows, I do not lay these issues simply at the door of his Department; the key point is that these undertakings must be given by Governments, rather than Environment Departments. Environment Departments know and understand them very well; the difficulty is getting them appropriated by Government colleagues more widely.

First, inventories should be required of all Departments. They should identify as far as possible all the natural capital assets for which a Department is responsible or whose value may be affected, whether adversely or positively, by departmental activity. Secondly, in adopting the latest methodology set out in SEEA—the "Handbook of National Accounting: Integrated Environmental and Economic Accounting"—Departments should be obliged to co-ordinate with the Treasury and agree a valuation for all the natural capital assets in their inventory.

Thirdly, all policy proposals and recommendations should be obliged to incorporate a costed explanation of how they will enhance natural capital or transform it into other forms of capital so that overall national wealth is increased. Fourthly, where a policy proposal or recommendation is estimated to deplete natural capital or result in declining ecosystem services, that depletion must be clearly costed and agreed by the Treasury.

Fifthly, an equivalent post to that of the Chief Secretary to the Treasury must be established with the aim of regulating the Government's use of natural resources and signing off all allocations of natural capital. Sixthly, that post should have the further challenge function of questioning why Departments are pursuing a technological solution to a problem that might be more efficiently dealt with through an imaginative use of ecosystem services. For example, why build a chemical-based sewage filtration plant when the lugworms on one hectare of mud flats can provide a remediation service for 100,000 people's effluent?

Seventhly, the Treasury should prepare a set of green accounts for natural capital and ecosystem services, which should be published initially for three years in parallel with the Red Book. Eighthly, after the initial trial period, those green accounts should be fully integrated and incorporated into the Budget and the Red Book.

Ninthly, the National Audit Office should be requested to monitor and report on the effective application of the incorporation of natural capital into the national

[Barry Gardiner]

accounting framework. Tenthly, Parliament's Environmental Audit Committee should be requested to hold the Treasury and all Departments across the Government to account for their use of natural capital and ecosystem services. Eleventhly, the Treasury should be tasked with preparing and publishing an annual report on the status of the country's natural capital and ecosystems.

Are there better ways to achieve this objective? Are there better uses for these resources? The Government have an obligation to their citizens to ensure that no policy, programme or project is adopted without Ministers first having the answer to those questions, and it is not possible to answer them unless the Government unequivocally embrace a transparent system for the valuation of natural capital.

In October 2010, I will chair the GLOBE legislators session at the United Nations convention on biodiversity in Nagoya—the conference of the parties. One hundred legislators will press to have natural capital incorporated into national accounts. They will establish legislators' role as that of providing a vital monitor and audit function, overseeing their respective Executives. Many scientists regard success at the Nagoya convention as even more important than success at the convention on climate change. After all, what would a change in climate matter if species could keep pace with the rate of change? The fact that they cannot, and the demise of the ecosystem services that are lost with them, is the greatest threat to human well-being on this planet.

A decade ago, the United Nations set the world the target of reducing the rate of species loss by 2010—the international year of biodiversity. Well, here we are. The UN willed the objective but not the means. The integration of the valuation of natural capital into Government accounting frameworks is that means.

3.17 pm

Justin Tomlinson (North Swindon) (Con): Thank you, Mr Crausby, for the opportunity to speak in this crucial debate. I must confess that I do not share the expertise of the hon. Member for Brent North (Barry Gardiner), but I do have a huge interest in the matter under discussion, and the residents I represent often write to me on issues connected with it. He made some excellent points about the need to quantify the environmental benefits and values of forest ecosystems and habitat projects—he referred to their "true value"—and I certainly support that principle. I hope that the Minister will give it much consideration.

I will use this opportunity to talk specifically about my experiences in my constituency. Before I became its Member of Parliament, I represented its northern sector—the Abbey Meads ward—for 10 years. The area is a new development, although it is sometimes unkindly referred to as a concrete jungle, and that relates to the points that I shall speak about. During the 10 years in which I represented that new development, the number of houses in it went from 1,800 to 8,000. As a result of that, the key principle that I developed was that sufficient provision needs to be put in place at the beginning, rather than retrospectively. It is impossible to lower the density of the housing now and to put in sufficient provision.

In my maiden speech I touched on the quality-of-life aspects of green and open spaces, and the issue comes up time and again. From a planning perspective, my concern is that developers and councils are too often allowed to tick boxes and to pay lip service to making sufficient provision. That is not acceptable, and a lot more thought needs to be put into doing things more appropriately.

There are two areas that we can focus on. One is making a lot of areas more open and accessible by pooling more of them. We could have community forests, and the local community could take ownership, come along, enjoy the benefits and learn about these things. We can also raise understanding through education and first-hand experience. I have noticed that in my constituency several schools are leading by example, and turning part of their land over to the development of their own projects, to give schoolchildren the relevant first-hand experience at a young age. I visited two such projects at St. Francis and Orchid Vale primary schools, and it is an excellent approach. I know about that from experience, because school geography lessons encouraged me to take an interest, and that is how we shall educate future generations.

To return to my original point, while we continue in this country to build on green open space we must get sufficient and correct provision now, because it cannot be done retrospectively. Let us proceed in such a way that communities will welcome and benefit from that. When we come to estimate the true value, several more tick boxes will become important, which I would fully support.

3.20 pm

Helen Goodman (Bishop Auckland) (Lab): What a pleasure it is to see you in the Chair this afternoon, Mr Crausby. I am pleased to have the opportunity, in this, the international year of biodiversity, to speak in this debate. I know that all hon. Members say that their constituency is the most beautiful, but mine is the most beautiful in England, because it includes upper Teesdale, which is part of the North Pennines area of outstanding natural beauty. One of the most important aspects of upper Teesdale is the Teesdale array—the collective name given to the unique set of plants that grow there. Some of those plants grow only in that part of Great Britain. A small number of them also grow in the Burren in Ireland, and some grow in the Alps, but on the mainland, that particular collection of plants grows only in Teesdale. The most famous is a beautiful blue flower called the spring gentian, but there are also lady's mantles and bogworts.

I wholeheartedly agree with what my hon. Friend the Member for Brent North (Barry Gardiner) said about valuing and taking account of the economic value of the natural environment, but I also hold out for the notion that those plants have an intrinsic value. Even if the spring gentian is of no use to anyone, it is valuable because it is there. It is there because it is left over from the last ice age. The collection of plants in question is on those rather cold, wet hills in the middle of the Pennines because the climate has not changed significantly since that time. It is the combination of the unique climate and the traditional farming practices of the hill farmers that has enabled the plants to survive.

I want to pay tribute to a botanist, Dr Margaret Bradshaw, who is an expert on the plants of Teesdale. We are fortunate to have her expertise because she originally went to survey the plants there in the 1950s. In this instance, therefore, we have an extremely good record of what has been going on over half a century. In May she took me out to sites where some of the rare plants grow. We went on to Cronkley fell and Widdybank fell, and up to Cow Green reservoir, where they grow. I shall send the Minister some of the charts and tables, because I cannot possibly do justice to them in a speech, but I shall give the highlights of Dr Bradshaw's findings.

A plant called Alchemilla vulgaris was extremely prevalent in the 1950s in both Teesdale and Weardale, but more than half the subspecies have been lost. Two of them—Alchemilla monticola and Alchemilla subcrenata—have disappeared completely from Weardale. Dr Bradshaw has also done surveys comparing the number of Gentiana verna and Primula farinose in the 1970s and the early 2000s—that is, over a 30-year period. Her method was to survey about nine sites on a fell, seeing how many plants there were, and to go back every year. Whereas, for example, in 1970 there were more than 250 plants of Gentiana verna, by 2007 there were fewer than 50. That is the pattern among those plants in Teesdale. The violas have also fallen in number, as has Gentiana amarella. A plant called Draba incana has disappeared.

I want the Minister to understand why those plants have disappeared, and what we might do to stem the flow. There are two basic reasons for the loss of a suitable habitat for that collection of plants. One is change in the climate—the global warming problem—and the other is changing farming practices. The low point in over-grazing was in the 1970s. I think there is now, pretty much, a good agreement between the hill farmers, Natural England and the AONB about farming practices. There are still some disagreements and technical questions, but the problem is nothing like as bad as it was 30 years ago, and in some cases one can see the biodiversity improving as a result.

There has also been a loss of peat on the fells. I am sure that the Minister is aware of the fact that the peat in the Pennines is a major carbon sink. In a way, it is our forest. A lot of work has been done by the AONB to protect the peat. It has done that by blocking the grips, because previously the peat was being washed away down the streams, into the River Tees and out into the North sea.

My major plea to the Minister is to continue with the scheme, despite the pressure that the Treasury will put on him. It is very important that farmers should continue to be supported to farm sustainably. There must be a balance; they must be able to make a living and to continue to farm in the traditional way. We have had many successes in recent years. The number of meadows has increased and their quality has improved. It would be a big mistake and extremely short-sighted to lose those successes at this juncture. The AONB has also done a lot of excellent work. As I have said, it has been working on the grips. There are some technical problems with the way the legal agreements are set up, and the Minister might look into those at some point. However, there have been significant successes, such as the restoration of black grouse to the area; he has probably heard about that.

My overall concern is that the Government should not do something very short-sighted to bring the deficit down in four years rather than six. If we lost plants that have been in upper Teesdale for 20,000 years, it would be the height of absurdity. The Royal Society for the Protection of Birds has its big "Letter to the Future" campaign at the moment. I expect that the Minister has been inundated with postcards. I want to give that campaign 100% of my support; the RSPB is right. It would be absurd for the Government to take a short-sighted approach. I endorse the slogan that the RSPB has adopted: "Don't cut the countryside".

3.29 pm

Zac Goldsmith (Richmond Park) (Con): First, I want to echo the formidable words of the hon. Member for Brent North (Barry Gardiner). I do not think that there is anything in his speech that I disagree with. On the contrary, I wholeheartedly support everything that he said. Without wanting to repeat it, I want to add my support.

It is more or less a given that we all recognise that nature provides very valuable—some would say non-negotiable—benefits, but we have not yet developed the tools to measure those benefits. We have heard today and in previous debates about the value of wetlands, mangroves and forests, and no one could even begin to argue about their benefits. Despite that, we attach a formal or recognised value to those things only as we cash them in, so a forest is worth virtually nothing to us until we have converted it into toilet paper. We are destroying unavoidably and unarguably priceless, non-negotiable, valuable natural assets, simply because we have not yet designed tools sophisticated enough to value them. That is the ultimate example—the most defining example—of market failure.

The situation is beginning to change. Just as we all recognise—a child would recognise—that without healthy fisheries we would have no fish, people are beginning to realise now that as we lose our bee colonies, our agriculture will be affected. We are beginning to realise that as we continue to pave over and destroy our flood plains, we shall have to invest more and more in defences, as the speed of surface water continues to increase. In fact, as a result, water companies are beginning to pay farmers to manage their farms in such a way that they take into account the value of slowing down the speed of water. In other examples, water companies are paying farmers to avoid contaminating the water near their farms. As a result of farming in a different way, they are seeing returns of up to 65 times the cost of capital investment. That train of thought is beginning to become more mainstream, but not yet in Government.

The Department for Environment, Food and Rural Affairs has signalled its intention of beginning the process of embedding the value of the natural world in the decision-making process. That is hugely welcome. I congratulate my hon. Friend the Minister on taking that agenda so much further than it has been taken before, certainly in my political experience—and although I have been an MP for only four months, I was involved in politics for many years before that. It is the best possible news. I echo the words of the hon. Member for Brent North and encourage the Minister to use whatever influence he has to take the message to the Treasury, because without cross-departmental acceptance of the

[Zac Goldsmith]

need to value natural capital, we will not see anything more than a synthetic change in the way decisions are made. I shall finish on that point, and by again congratulating the Minister on taking the agenda so much further forward in a very short time.

3.33 pm

Huw Irranca-Davies (Ogmore) (Lab): It is a delight to take part in the debate. I was glad to see, among the various pieces of business that we are dealing with in this fortnight in which Parliament has resumed, this debate on the international year of biodiversity. The debate is timely and I am glad that it is happening so early in the Minister's career. It allows us to put down a few markers and, I hope, make some helpful suggestions.

At the outset, I want to welcome not only the debate, but the work that has been done by and the briefings that we have had from various groups. I shall mention just a few: the Wildlife Trust, the RSPB and the International Fund for Animal Welfare. There are others. I also want to mention the work of the Select Committee on Environment, Food and Rural Affairs, which has pushed forward the agenda generally. Some of the issues discussed today are not new. Members of all parties on the EFRA Committee have been pushing this agenda forward for some time. It is also very good to see a couple of the vice-presidents of GLOBE present. I acknowledge the work that my hon. Friend the Member for Brent North (Barry Gardiner) has been doing with that organisation. It is very important and I shall return to it.

Let me turn to some of the comments that have been made. I shall start with the very good contribution made by my hon. Friend. He brings great experience and expertise to the Opposition Benches, both from his ministerial role and from his various roles with environmental organisations. He plays a prominent and active role in that regard. He gave us a timely reminder of the importance of considering natural capital, which we often ignore because we tend to focus on top line economic gain. He mentioned, for example, that only one third of the value of our forests is captured by classical economic analysis. The same applies across the board. That is the way we traditionally regard those priceless assets in government and in policy making and decision making. I say "priceless" because this is a classic case of knowing the price of everything and the value of nothing. Today's debate has shown that we need to move way beyond that. We have started work on some of the helpful mechanisms that could lead us to move beyond that point, but we now need to do it.

My hon. Friend's account of natural defences was interesting. It reminded me of two things. One is a domestic issue. As we consider the increase in storm surges and the increasing prevalence of flooding and of coastal erosion, it is important that while we are employing a huge armoury of different approaches to deal with those things, we do not negate the role of natural defences but actively encourage them as part of the toolbox that we have to respond to such eventualities; otherwise, we are resorting purely to the old hard-style defences. Things have moved on significantly and I know the Minister will be keen to continue with what I have described domestically.

My hon. Friend's comments also reminded me of observing at first hand the replanting of mangrove plants in the Cayman Islands in little concrete wellies. The idea was to hold them down and embed them sufficiently before the concrete fell to bits. They had to have something that weighted them down sufficiently, given the storminess there, and very successful it was. It was hard work, but it was a case of rebuilding natural defences and recognising the wide benefits that come from valuing that natural capital, rather than choosing hard technical solutions all the time.

Barry Gardiner: My hon. Friend has just given a fascinating illustration of the point. I suspect that he may have visited that project because it was one of the Darwin projects. Does he agree that of all the things that the Department does, if it protects anything in the comprehensive spending review, it should be the Darwin projects? Nothing can be more innovative and valuable than the work that has been done under that relatively tiny budget.

Huw Irranca-Davies: Indeed. In terms of bang for our buck—or whatever the sterling equivalent is—we cannot do much better than the Darwin initiative. I applaud the Minister for not going through the political rote that we sometimes hear at the moment of "Times are terrible." I know that he faces challenges, but I agree with my hon. Friend; the Darwin initiative is a singular example of an initiative in which a little investment goes a long, long way. That investment sits alongside an investment of expertise from people from the natural history museum and Kew gardens, and the use of committed people in the overseas territories, volunteers and so on. I was pleased to hear the Minister say that announcements will be made about the next round of funding under the scheme. We look forward to that. I ask him please to keep that momentum going.

My hon. Friend moved on, in the latter part of his contribution, to some excellent ideas about embedding the values of natural capital in our policy making and decision making. That is one of the big ideas whose time has come. He talked about Departments having natural capital auditing and evaluation and every policy being assessed according to its contribution to increasing natural capital wealth or to denuding natural wealth. Another idea was the use of ecosystem services instead of hard technical solutions and weighing those up every time a hard technical solution is proposed. Sometimes we will need hard technical solutions; that is without a doubt, but they need to be weighed in the balance against whether there is a softer, longer-lasting, enduring, multifaceted-benefit approach that might be better.

That very interesting concept of departmental budgets of natural wealth should, after a trial, be incorporated into the Treasury. I would not give up on that. I know the Treasury is often portrayed as the ogre of Government, sitting there jealously guarding the keys to its bullion, or whatever it has, but it can be open to persuasion if a good case is put forward, particularly if the denuding of our domestic natural wealth affects us in a very anthropocentric way—a purely selfish way. When that is done, both globally—in terms of impact on global

poverty, migration flows, our own shores and indigenous communities—and here, it is better to weigh these things in the balance. I genuinely offer the Minister and the Secretary of State my support. The Minister should advance that argument because it is time to do so. I will return to that.

The fascinating idea of an audit of the state of the nation based on natural wealth, with an annual report, and with the EFRA Committee playing a scrutiny role, was, the Minister will be intrigued to know, part of a conversation that took place in discussions with the former Secretary of State. We frequently asked, "What comes beyond Pavan Sukhdev and TEEB? What comes beyond the internal work that we have been doing? What is the next stage?" If it is to be embedded in Government, it cannot be in DEFRA alone; that point is well made.

The hon. Member for North Swindon (Justin Tomlinson) rightly mentioned the importance of community engagement and education. It is very often the simple, immediately identifiable natural phenomenon that can do that. I recall visiting a school just outside Newcastle early in my tenure as a Minister, where we were looking at the reintroduction of the red kite. It was being reintroduced not to a completely rural environment, but to an urban-rural mix. I had not seen a single red kite and came out of the school thinking that it was going to be a classic ministerial visit; they had brought me all the way up there to see it and I was going to have to say how impressed I was, but I had not seen a darn thing. The school had branded itself round the red kite and the kids understood—they get it in a way that an earlier generation has not quite. As I walked out of that school door on the way back, five of the magnificent red kites were swirling around in the air outside. Whether it be the red Kite or the blue iguana in the Cayman Islands, such events bring it home to me that single species can transform people's understanding of the importance of biodiversity in the natural environment. They can also lead to habitat recreation and so on. It is a virtuous circle. We need to start with young people and community engagement.

My hon. Friend the Member for Bishop Auckland (Helen Goodman) made a good contribution. I had never heard of the Teesdale array but I am glad that I have now. She reminded us of the intrinsic value of species. That briefly takes me back to the contribution made by my right hon. Friend the Member for Leeds Central (Hilary Benn) when he, as Secretary of State, announced the opening of the South Downs national park, the final bolt in the National Parks and Access to the Countryside Act 1949. I spoke just before him and I was like the greased mechanic in the bonnet talking about the nuts and bolts and how it had happened and so on. While I had spoken in prose, he got up and spoke in poetry and reminded us what it was about: the joy, the experience, the benefits for many people who will never see some of the species we are talking about. The fact that they are there is important. That has to be balanced against finding a way for policy makers and decision makers to see tangibly what that value is. How does one express that in decision making, so that Ministers, civil servants and international organisations can make sense of it and base decisions on it?

My hon. Friend the Member for Bishop Auckland also reminded us of the importance of volunteers and the great tradition of enthusiastic amateurs, in monitoring, recording and protecting our flora and fauna. She finished neatly by reminding us of that very good RSPB campaign, "Don't Cut the Countryside". I know that the Minister will be aware of it and will return in his closing remarks to how we can avoid that cut.

I welcome the Minister's opening remarks to the effect that this does not have to be a matter of the economy or the environment. It is a matter of putting the triangle together: the economy, the environment and communities—national and international—and making sure that they are all delivered, at least in this international year of biodiversity.

The Minister noted the progress that has been made in some areas on SSSIs and on some of the UK species. He also rightly noted the accelerated loss of biodiversity as we run up to the countdown to 2010 and what will come after. He also rightly reminded us of the £42 billion cost per year in biodiversity loss. That is as real for us in developed nations as it is for poorer countries. We need to do something about the issue of access and benefit sharing, which is one of the pieces of unfinished business of Copenhagen, going into Nagoya. We need to find the right mechanism by which we can share the benefits that can accrue from sustainable exploitation of that natural wealth.

With regard to the CSR, I will go through some detailed and some big points, in as helpful a way as possible. I know that neither the Minister nor the Secretary of State intends to be the one who sacrifices natural wealth and environment on the altar of austerity. I welcome the Minister's opening comments because I do not think he intends to be that person. The environment, the economy, society and communities go together. May he be the Minister who brings them together, domestically and internationally, within the UK Government and international institutions.

In a very good contribution, the hon. Member for Richmond Park (Zac Goldsmith) reinforced the points made by my hon. Friend the Member for Brent North and also rightly said that the tools we employ are not sophisticated enough; I will return to that. In a way that was slightly prickly and defensive, the hon. Gentleman perhaps glossed over, or was a little begrudging about, the contribution of the previous Government in moving this agenda forward. I think we moved it forward significantly, hence the nature and tone of this debate. It is now a matter of what the next steps are. Let me go back to the launch of the discussion document on the natural environment White Paper.

Zac Goldsmith: I want to clarify one thing. I accept fully that a great deal of thinking has been invested by Members of various parties over the past few years. My criticism of the previous Government is that the conclusions—the result of that thinking—were never properly woven into the process of government. In other words, decisions were being taken on a routine basis that utterly failed to take into account any of the real value of the natural world. That is what we have to change. We need to take the thinking that has happened across the board over the past few years and mainstream it into the heart of Government. That is what I hope our new Government will do, with the help of the Minister we have here using his influence within the Treasury.

Huw Irranca-Davies: I share that aspiration; I really hope the new Government do that. I would only remind the hon. Gentleman that for the crops that come to fruition under this Government, a lot of the hard work on tilling the ground has already been done. But it was done on a cross-party basis and with a lot of support from external organisations, which have generated and brought forward the ideas that we have worked on. We will do this together, one way or another, because the issues we are discussing are bigger than party politics. We often say that, but it is true. Climate change is one of those issues; biodiversity is another. I want to discuss how we bring those together and stop one being to the exclusion or domination of the other.

At the launch of the consultation, the Secretary of State said:

"We want everyone to contribute their views on the natural environment, whether they're concerned at the plight of the songbirds in their garden, the quality of air in their town, flooding problems worsened by people paving over their gardens or the fate of our wider countryside. We have the opportunity to be the generation that puts a stop to the piecemeal degradation of our natural environment."

She went on to say:

"This discussion document will allow everyone to shape the White Paper, in a Big Society approach to policy making so that together we can aim to halt this decline and recognise that nature is our ultimate producer and supplier."

That is excellent, but what we are looking for now, as the consultation proceeds, is much more specific detail. To return to the point made by the hon. Member for Richmond Park, we need to convert that rhetoric into tangible measures, so that we have the detail on how economic issues globally and locally will not push aside the environment, particularly this year.

The importance of biodiversity has already been stressed, but we have had difficulty getting across to the general public and other less disinterested observers what we mean by biodiversity. When we talk about ecosystem services, in simple terms we mean the quality of our clean water. Natural filtration from a good water system means that we do not have to spend a hell of a lot of taxpayers' money on treating the water. With farming, if we do not have good soil quality and properly functioning soil with good bacteria and fungi—as opposed to a sterile environment—agricultural production will dramatically decrease year on year. If we do not have the insects, bats and birds adequately to pollinate our crops, both here and internationally, we will see a reduction in the number of plants pollinated and a negative impact on both agriculture and flora biodiversity. One other aspect, which dramatically brings the point home to a lay person, is that something in excess of 40% of anti-cancer drugs come from natural sources. If we continue to lose biodiversity at the current rate, we will lose some of the solutions to some of our significant human-centred problems, which is why we have to address the matter.

The threats are immense, among them the introduction of alien species, habitat loss and degradation, threats to species, over-exploitation or inappropriate exploitation of resources, and human-induced climate change. So, why should we be bothered? We should be bothered because we need to protect these healthy ecosystems for our well-being, for purely self-centred reasons if nothing else—if not for the intrinsic benefits, then for the extrinsic ones. We should be bothered because of the quality of our goods and services: the fresh water, the marine fisheries, the cleansing of atmospheric pollutants, the protection from natural hazards, the pest control and the pollination of our crops.

But we should also be bothered because of the stability of ecosystems. We have increasingly come to learn in recent years that when we lose biodiversity, we lose the ability of our natural ecosystems to resist biological shocks, such as hurricanes and floods, as we have seen only too recently. An important thing that was mentioned by my hon. Friend the Member for Brent North and which we need to emphasise is that while we face some implications of this degradation of the natural environment in the UK, the most significant visitations are on the very poor, very often in developing countries.

Let me first deal quickly with some detail. The Minister will be told afterwards by his officials that this is a classic Irranca-Davies approach, that I go through 101 things that I hope will help but then zone in on just two or three important issues. That approach is genuinely meant to be helpful. If the Minister cannot answer everything today, I would be very happy for him to write to me and to Members who have taken part in the debate.

First, there is the issue of access and benefit sharing. How do we bring progress forward on that? This is a classic illustration of something that we had moved on very far and had immense discussions on, but on which we had not had the breakthrough. What can the Minister do during his tenure, including in the important summits that are coming up, to push that agenda forward, with the help of the Secretary of State? Mention was made of the Lawton review. What role will national parks, areas of outstanding natural beauty and sites of special scientific interest—including both those that have progressed and those in the buffer zones—have in contributing to biodiversity within the UK, in not only stopping the loss but reversing it?

It was good to hear the Minister mention the BioBlitz, but what do we have beyond that? How are our biodiversity action plans within the UK progressing, and what more will be done, particularly at the end of this international year of biodiversity? What is the next stage? How do we keep the momentum going? How do we roll things out, so that the very good examples in some regions and areas are spread right across the UK?

The Minister and I often debate reform of the common fisheries policy, and we have broadly the same approach to it, as we have to many issues. I simply urge him not to capitulate but to carry on with the work that has already been done and get the CFP reform. Many members of the public often miss this point entirely, but the reform is vital for marine biodiversity. If we get it right, we can really assist the general health of our seas. The reform needs to be grounded in sound scientific advice, based on a proper ecosystem approach, sustainable fishery yields and multi-species analysis, multi-annual plans and sea-scale plans, not on the traditional approach that we have had through our European Councils of individual plans for individual species, with some species being covered and others not, and the interrelation between them not being considered at all.

The Minister has very good people in his Department, and we have had very good engagement with colleagues in Scotland and elsewhere. We need to keep on pushing very hard on the reform—the UK is leading

in this area. We never get everything that we want, but we need to be the country that leads this debate and gets a very good outcome for its marine areas. As I have said, it is important that fisheries are seen not only as fisheries but as part of overall marine management and conservation. Global management of fisheries is also an important issue in the debate, given the scale of the problem right across the world.

Will the Minister in his response, or in writing, state what further work he will do on the issue of bluefin tuna? I know that he played a good hand—we tried to do our best as well—but this is still in many ways unfinished business. One opportunity has been missed, not through lack of effort but simply through lack of ability to get people to agree a way forward. Is the Minister still committed to the idea of the largest marine fish that we have—that iconic species—having an appendix 1 listing in the convention on international trade in endangered species? That would move the debate on significantly and show real leadership. Alternatively, is there another way forward?

My hon. Friend the Member for Bishop Auckland talked about the uplands, peat degradation and the importance of farming. We agree very much, as I know the Minister and colleagues here will, that the stewardship of much of the land in this country is in the hands of those who either own or farm the land—tenants or landowners—and that is absolutely right. However, we were pushing very hard within the Department not only on the uplands entry-level stewardship scheme but on the higher-level stewardship scheme, because those higher-end schemes are the most important ones. They give real additionality, way beyond what is already being done. Sometimes they are trickier for the individual on the ground to implement, but for the hon. Gentleman as a Minister, us as a country and this debate on developing natural wealth, they are the most important. Perhaps the Minister cannot give me an answer today, but I strongly urge him not to give way on those higher-end countryside stewardship schemes. They are vital because they set the standard to which we should aspire. I am sure that there is Treasury pressure to look for some cost-cutting here, but that is really difficult because the schemes set the highest standard to which we should aspire for the uplands.

The Minister also mentioned the Campaign for the Farmed Environment, and I welcome his commitment to that. That agreement was hard-won and not uncontroversial, going as it did for a voluntary approach rather than a regulatory one, but let me put this question firmly to him. Following all the discussion that we have had on biodiversity—often in terms of flora biodiversity and the farmland bird index, in relation to farming—is the Minister confident that in the coming years, as we look at the roll-out of the Campaign for the Farmed Environment and at the buy-in from agronomists, farmers and landowners, we will be in a position effectively to monitor and measure what is happening on the ground, that we have the right measures in place, and that whatever streamlining there is of the number of people visiting farms, that monitoring is going on? Without such monitoring, we will have nothing to measure; we will not know whether we are successful. We must find a way to deliver on that without over-regulation and additional burdens of bureaucracy. Moreover, it must be credible that it is being delivered effectively, not only to the farming community and landowners, but to non-governmental organisations outside. My concern, echoed by a number of groups, is that there might be some denuding of the monitoring and evaluation of our farming stewardship and of various other schemes, including the voluntary one.

I welcome the Minister's commitment to the roll-out of marine coastal zones and marine protected area networks. Stick at that. I strongly support what he is doing in that area. I look forward to the delivery of these wildlife corridors, stepping stones and buffer areas that are mentioned in the White Paper and the consultation document. They refer not just to undesignated areas, but to the linkages between them. Such developments will enhance the ability of our wildlife and habitats to migrate, which they may need to do not just because of development pressures but because of the impact of climate change, which is having an effect on our wildlife as we speak.

Further work must be done on non-native and invasive species as well. I should welcome an update in writing on how the trials are going with Aphalara itadori, one of the first invasive species that we introduced. We hope that it is a nice sort of invasive, and that it will effectively tackle nasty invasives. I have not heard anything about those trials for some time, so it would be good to have an update.

One critical issue relates to the quality of water and the water framework directive. I suspect that the big society will strongly come into play here. I will be interested to see how the Department can square the circle given the financial pressures that it is under. We knew that the secret behind the water framework directive's ability to improve not just the water quality but the ecological quality of the water and the species that are within it was always going to depend on partnerships—river catchment partnerships, angling societies or people just buying in to the scheme. The Environment Agency cannot solve the problem on its own, so this will be a real test of the big society. We cannot walk away from our commitments. This is not a Brussels-led, top-down bureaucratic mess, but a genuine right-minded aspiration to ensure that we have not just clean water but a multiplicity of species and flora and fauna within our rivers to the higher reaches. I welcome the Minister's initial thoughts on how we will achieve that.

Government procurement within Departments is also important for biodiversity whether it is through the use of legal sustainable timber or other such things. I should welcome an update on that.

As for international wildlife crime, we know that there is a multi-billion pound annual trade in prohibited species. Will the Minister give us an update on the individual species that are in the public domain at the moment, which includes tigers. A hard line was taken under the previous Government on ivory trading. Does that still hold or are there nuances that we should know about? Moreover, I should like to hear about the commitment domestically to the wildlife crime unit, which does sterling work. The former Home Office Minister, my hon. Friend the Member for Tynemouth (Mr Campbell), and I visited the unit and saw what it was doing on the ground in the UK. It requires a Government commitment and a small element of funding to keep it going. One thing it was admired for was its specific focus on wildlife crime, which was pushed up

[Huw Irranca-Davies]

the agenda of many individual police forces across the country, but still more work needs to be done there.

I have mentioned the Darwin initiative already. Stick with it because it goes a long way for very little investment. I also urge the Government to continue promoting eco-tourism, which covers whale watching and other forms of wildlife enjoyment, with our colleagues in Norway, Iceland and elsewhere. That has to be the way forward—we are not killing the wildlife, but snapping it on our cameras and enjoying it for its intrinsic merit and beauty.

My final point on the detail relates to peat extraction. That is an enormously complex issue, because we cannot isolate UK peat extraction from the extraction that is carried out internationally. Different countries have different objectives and uses for the peat that is extracted. We tend to use it in horticultural, industrial and garden-based products. We said that we wanted to move away from peat extraction much faster, and there is still more work to be done. I am sure that hon. Members here today are interested to hear what the next stages will be. It is not an easy task, but it needs to be addressed.

After that wealth of detail that I have thrown at the Minister, I shall now turn to the big questions. Before I do, let me say—the Minister will know this—that the issue of biodiversity runs not just through his portfolio but across everything. It cannot be isolated into one area.

One of my first big question relates to an issue that was raised by my hon. Friend the Member for Brent North. What measures will we be passed that take us on to the next step and that build on the work of ecosystem valuation through TEEB—"The Economics of Ecosystems and Biodiversity"? How will we embed that aim in Government? Some fascinating options have been put forward by GLOBE and other organisations, but the secret is to place the whole matter not in DEFRA but in mainstream Government. What could be more mainstream than the Treasury? I have no doubt that the opposition to that will be immense, but what would be better than having a far-sighted Minister and Secretary of State who were willing to take the fight on? They may not succeed in six months, a year or even 18 months, but they can start doing the work now, because it really is possible, and it is the logical next stage. We should be looking at not just the pure, arithmetical economic wealth, GDP and GNP of the country, but what is happening to the natural wealth of this country and we should give it the same ultimate credibility. If we can encourage that to happen internationally, heaven help us, we would have really got to the holy grail.

Secondly, what can the Minister and the Secretary of State do to bring biodiversity and climate change together with equal priority on the national and international agenda? What arguments will he use to articulate that and to persuade international colleagues to recognise it? For too long, the focus has been very much on climate change, with biodiversity as something of a side show. Both need to be together because they are so intimately interlinked.

Thirdly, I return to the issue of measuring and monitoring. Has the Minister the confidence that in the next six months or two years, we in the UK will have not only an adequate set of measures that we should be monitoring, but the mechanisms to do that, as well as the people on the ground? We need credible, adequate measures so that we know what is happening. That will be an issue for the Government's big society, and a tangible test of whether it works. So much had been done already; DEFRA was very good at engaging with the third sector and voluntary organisations. If that is the way forward, it will have to be asked to do a heck of a lot more. There is also a role for Government in coming up with creative solutions to the many challenges that face us and showing leadership. I am sure that the Minister is up to that. If he and the Secretary of State can show us that the leadership is there on those three big issues, we will be applauding by the end of this Government.

4.9 pm

Richard Benyon: I am glad that I have just under two hours to respond to the many and diverse points that have been made this afternoon in what has been a fantastically useful debate. It has unlocked some of the talent that we have in this place, across the House, on these important issues. I will respond in as much detail as I can provide to the points that have been raised and if I cannot respond now, that is either because I cannot speak about financial matters with as much willingness as I would like until after 20 October or because I do not know the answer, in which case I will write to the hon. Member concerned.

I want to start by paying tribute to the hon. Member for Brent North (Barry Gardiner) for what I thought was a very powerful speech, which established the absolute importance of knowing, first of all, where we are on biodiversity. We cannot measure whether we are continuing to see a decline in biodiversity, holding the line or reversing that decline unless we know where we are. There are all sorts of indicators that we use to measure diversity, but they are relatively blunt tools; I am the first to admit that. I think that there are wider measures that we need to apply.

The hon. Gentleman talked about the need to value natural capital. When we talk about our natural environment White Paper or our passion for this subject, some people nod and think, "Oh, good, here's a Minister or here's a Department that values our natural environment in the general sense," and I say, "No, we are actually talking about real value, in the economic sense." Until we do that, we will not get to where we need to be and I am grateful for suggestions about how to embed the valuation of natural capital into Government decision making.

That is precisely the type of issue that the Secretary of State will be discussing with other Environment Ministers in New York next week, to bring together ideas and initiatives for embedding the valuation of biodiversity and ecosystems across government. It is also a theme that we will take forward in our thinking in the White Paper.

The hon. Gentleman and others, including the hon. Member for Ogmore (Huw Irranca-Davies), made the point that the impoverishment of our natural environment hits worst those who are least able to deal with it the poorest. That is why this issue is not something for some leafy backwater of Government; it is absolutely at the heart of every single Department.

If our constituents are concerned about the pressures of international migration, they should be interested that we are supporting forests, environments and ecosystems that will sustain agriculture and life, and they should also be interested that the marine environment is sustained in parts of the world where it is currently being degraded at an alarming rate. They should be interested because that environmental degradation puts pressure on societies such as ours, both through migration and the impending catastrophe that is a war brought about by poverty and all the other related pressures. So this issue of biodiversity is absolutely at the heart of everything that we are talking about; issues do not get much more important than biodiversity.

Barry Gardiner: Given what the Minister has just said, he will perhaps reflect on the fact that, in the horn of Africa, we have seen what are often referred to as the first climate change wars. The desertification that has gone on there has seen the collapse of civil society and spawned the lawlessness that has given rise to piracy on the high seas around the horn of Africa. From that perspective, we see countries such as our own and the US, and international shipping generally, spending millions of pounds in that region on insuring ships and providing navies to escort and safeguard ships in that region. Yet we spend nothing, relatively, on sorting out the ecological and environmental problem of the desertification that has caused that piracy in the first place. Does he not agree that that is the case?

Richard Benyon: As before, the hon. Gentleman has got it exactly right. Elsewhere in Parliament, Members are debating the strategic defence and security review. Part of that review involves how we will fund the type of operations being carried out in the seas off the horn of Africa. It is precisely because fisheries in those seas and agricultural systems in the region have been degraded, as well as the fact that the governance that supports a civilised society has been allowed to collapse in that region, that we now have to spend millions of pounds every year as part of an international campaign to counter that issue of piracy.

Zac Goldsmith: On that point, has the Minister been able to discuss the environmental causes of poverty with the Secretary of State for International Development? Given that the international development budget is one of the few that will be largely unaffected by the cuts—at least we think that is the case—it seems to me that there is huge potential to transform completely the way in which, historically, that money has been spent. We should start focusing it on tackling real environmental sources of poverty—for example, restoring forests to boost the water table and to stop women having to walk 5 miles to get water, or restoring fisheries to revitalise fishing communities, and so on. If the Secretary of State for International Development was to put much greater emphasis on the environmental causes of poverty, I believe that we might see some real progress in tackling these huge issues.

Richard Benyon: I am grateful to my hon. Friend for making that point. My right hon. Friend the Secretary of State for Environment, Food and Rural Affairs regularly meets the Secretary of State for International Development, but last week she met him and the Secretary of State for Energy and Climate Change. They were talking about sustainability and they are going to New York next week to talk about the millennium development goals. We cannot achieve those goals unless we have sustainability at the heart of our actions.

My hon. Friend points out, quite rightly, that one can achieve quick wins in international development: we can have a gift from the people of Britain of a pump that is put on some giant structure that perhaps pumps thousands of gallons of water every day into some irrigation system. However, we could have a much more sustainable solution, which provides a better deal for the British taxpayer as well as for that environment, by protecting the ecosystem that provides the water in the first place. I know that I am preaching to the choir here, but that point must be understood across Government and that is why sustainability must be at the heart of our actions.

The hon. Member for Brent North also touched on the issue of coastal erosion. He talked about coastal erosion in the gulf of Mexico, but I saw coastal erosion nearer to home last week, or the week before—the weeks are merging into one at the moment. I went to Norfolk and Suffolk and saw for myself what is a quite—I use my words carefully—frightening prospect for communities living in that area. During the last 50 years, the collective class of politicians has been party to a slight con of the people in certain coastal areas of Britain, in arguing that this concept of "holding the line" is achievable amid the modern pressures of our economy. The idea that we can ring large parts of our coast with constructions of steel and concrete for ever more—that is just not going to happen. Therefore, we must certainly develop innovative financial solutions to hold the line where we can, but we must also look at some of the sustainable solutions that the hon. Gentleman was discussing, such as salt flats, mudflats and other constructions that work. There is wonderful work going on and I am really impressed by the people that I meet in the Environment Agency and in the Department who completely get the necessity of taking that route.

The hon. Gentleman also talked about measuring cost, which was also touched on by the hon. Member for Ogmore, who speaks from their party's Front Bench, in relation to eco-tourism. To a brutally simplistic economist advising a Japanese whaling company, the value of a whale would be calculated in terms of the value of the product as against the cost of harvesting that animal in whatever part of the seas it is found, and the cost of the fuel for the ship. However, if we compare that with the value of that animal as a global eco-tourism resource, we see that there is no viability in whaling at all. Whaling can survive only with huge investments from Governments to support the few jobs that remain in the industry. That was brought home to me very clearly when I went to the International Whaling Commission in Agadir. The number of species, including whales, and the scale of the fish stocks that we manage to maintain in our oceans are also indicators of the general state of the seas. Therefore, the issues that the hon. Gentlemen covered are incredibly important.

My hon. Friend the Member for North Swindon (Justin Tomlinson) put a local perspective on the importance of engaging local people, which is vital. In our structural reform plan, our business plan for the Department, we said that we will work with the Department for

[Richard Benyon]

Communities and Local Government to protect green areas of particular importance to local communities. As we develop housing, we must understand that we can build an enormous number of benefits into new housing schemes—sustainable drainage systems, green open spaces or a conservation credit system—to replace the biodiversity lost due to the creation of those communities. Ultimately, though, it is the constituents and the people who live in our communities whose well-being it is in all our interests to maintain. Therefore, the right environment is vital, and he is right to raise the issue.

The hon. Member for Bishop Auckland (Helen Goodman) made a powerful plea in support of plants as an important part of biodiversity. Too often, we think of biodiversity in terms of fur and feather. She is absolutely right that plants are intrinsically important. I went to the natural history museum within days of my appointment, and was shown the mind map that is biodiversity. Mammals are a tiny part of it. Compared with fungi and plant life, we are a small part of that great picture. The hon. Lady is right: that is why the millennium seed bank is important. We should all feel proud that it is based here in Britain.

I can give the hon. Lady the comfort that one part of the conservation zeitgeist in Britain at the moment is landscape-scale conservation. The Royal Society for the Protection of Birds cares about that, and it is the purpose of areas of outstanding natural beauty, national parks and wildlife trusts. It draws together key areas with farmland in between and does conservation work on that scale. That is how to succeed, and how the plants that she talks about will be protected.

The hon. Lady and the hon. Member for Ongar mentioned peat, which is important to the Government. I recently visited the Peak District national park and saw the impressive peat restoration project there. I had not understood how degraded the peat had become due to the effects of a century or more of pollution, or what work, skills and technologies were involved in the vital job of protecting it.

At the other end of the argument, it is vital that we consider the market for peat and ensure that it is sustainable. The quick win is getting companies such as B&Q to use man-made products; it is the smaller companies, the local garage and other such outlets selling peat that must be worked on. We love having summits; I hope that they are summits with a purpose. We are having a peat summit at which we will get together with all the companies that sell peat to ensure that we drive forward that vital agenda.

Huw Irranca-Davies: May I suggest that, as part of that peat summit or an extension of it, the Minister engages with his ministerial colleagues in the Department for Business, Innovation and Skills and elsewhere? One opportunity in a transfer from traditional peat extractive industries to industries based on substitute products, if it is done in a joined-up way, is that we can create and lead in the European market a new industry involving green environmental substitutes for peat. That is a great opportunity for UK plc and British industry, but it cannot be left to the Department for Environment, Food and Rural Affairs alone; it will require engagement with other Departments.

Richard Benyon: I agree entirely. That is where Government and local government can lead. It can be written into section 106 agreements that green spaces will be maintained in an environmentally friendly way, including the use of such products. That will create a market that can be developed so the cost base comes down, and people can start to make the right choice when purchasing fuel.

The hon. Member for Bishop Auckland and others mentioned the uplands. They are a matter of absolute importance to us, as is the support that we can provide to those who manage them—the people who live and work in some of the most hostile climates in this country—and maintain them for the benefit of us all. The Minister of State—my hon. Friend the Member for South East Cambridgeshire (Mr Paice)—and I are working closely on policies that will support the uplands, and we will make an announcement in the near future.

Huw Irranca-Davies: One concern doing the rounds of the rumour mill here is that higher-level stewardship might not be part of those considerations any more. If the Government are so minded—I do not expect the Minister to tell me today whether HLS will continue—will he give a commitment that whatever schemes come after it will deliver at least the benefits of existing schemes? Otherwise, we will go backwards in terms of biodiversity.

Richard Benyon: I wish that I could answer that question precisely, but until I am 101% certain, I cannot give the hon. Gentleman the reply that he deserves. However, we value HLS and understand its importance, and I hope to be able to satisfy his concerns in the near future.

Barry Gardiner: To reinforce what I know is the consensus here on the importance of uplands management, it may be useful in discussions if the Minister asks his civil servants to prepare a document along the lines of the valuation of natural capital, which we discussed earlier, that includes a precise valuation from a tourism and aesthetic point of view, as well as other elements, of natural capital valuation. Those are the arguments that will have to be weighed in the Treasury, as we all understand, so those methods can be used to protect an incredibly important subsidy scheme for farmers and keep some of the most important hill farmers going.

Richard Benyon: I entirely understand that point, but we cannot support HLS to the exclusion of other systems. The benefit of entry-level stewardship is that it is done over a lot of space. Others have spoken today about the need for connectivity between our natural sites; agricultural land is the key to getting that right. It is important to get the balance right. I assure the hon. Gentleman that I hear the points that have been made.

My hon. Friend the Member for Richmond Park (Zac Goldsmith) spoke in support of the points made by the hon. Member for Brent North, and noted, as I have done, the important work being done with farmers by water companies. That has been a revelation to me, and I have started to think about how it can be extended. I applaud the water companies that are doing such work for showing us how caring for the natural environment saves the taxpayer from having to build large constructions, nitrate-stripping plants and so on. Ultimately, too, the

customer gets better-quality water at less cost, the environment is protected and the farmer is rewarded. It is an entirely virtuous circle for ecosystems, and I am slightly incredulous that I did not twig earlier in life that that is obviously the way forward. I applaud those doing it.

The hon. Member for Ongar mentioned the Darwin initiative—

Huw Irranca-Davies: For the sake of the record—knowing that at some point some committed person might read this debate—I am the Member for Ogmore.

Richard Benyon: I apologise. The hon. Gentleman and I have sparred for many years; I do not know what has got into me. Ogmore—how disgraceful of me to get it wrong.

Huw Irranca-Davies: Or Ogwr, in Welsh.

Richard Benyon: I will try the English version. The hon. Gentleman mentioned the Darwin initiative. I spoke about it earlier, and I know of its value. In my conversation with Professor Macdonald, I discussed things that I had seen in parts of the world where there is great pressure between local people and certain species that we in the west might value, such as elephants, large cats and tigers. We need to lever funding to encourage local people to value those species, rather than see them as a threat to their existence. That is very much the case with elephants in northern Kenya, for example, where group ranching schemes can be operated with local people. Such schemes allow local people to get value from tolerating those animals. Those are the sorts of things that the Darwin initiative has been particularly good at, and I want to see it do such things in future.

There has been much talk today about the Treasury. My experience of those who work in the Treasury is that they are very warm and cuddly souls who have nothing but the milk of human kindness flowing in their veins, so I hope that some of the apocalyptic views of the future of funding will not come to pass. Ultimately, it comes down to how these matters are viewed at the highest levels in Government, and the issues of the natural environment and biodiversity are absolutely at the core of the highest levels of this Government. In our Department, those issues are part of our three main areas of priority.

Some of today's comments have been about how to get across the message on biodiversity, and how we brand it in a way that people understand. I was very taken by the words of Jonathon Porritt, who some years ago admitted that if the green movement has a problem it is that it can be unutterably miserable about the prospects for our globe, planet, society and existence. He said that if the green movement could be more optimistic, it might be listened to by more people. That was very self-effacing and courageous. If we try to communicate the problems about biodiversity purely by saying that the situation is miserable and terrible things are happening, it becomes a weight on people's shoulders that, in their busy lives, they do not want to bother with. We need to make people feel close to the issue and encourage them to become involved with it—whether that is with the local countryside around where they live, or through concern for an international species that is under threat or the marine environment where they go on holiday. Those are the sort of drivers that will be much more effective in unleashing the undoubted enthusiasm that exists in society for this key cornerstone of our existence.

The hon. Member for Ogmore talked about his experience on ministerial visits. I had a fascinating visit to Bristol where, just a few yards from 500,000 people, I saw some plants being protected that do not exist anywhere else within the Avon gorge, and I was practically dive-bombed by a peregrine. All of that existence was being maintained locally by enthusiastic volunteers, a committed local authority, and government in the form of Natural England and others doing their bit and working together. I completely understand the need for partnership. I also understand the importance of uniting the environment, the economy and society in one concept to deal with the issue.

I will now tackle the specific questions that the hon. Member for Ogmore put to me. We very much hope that the issues of access and benefit sharing can be taken forward at Nagoya. That is an absolute priority. Some people are depressed about the prospects for Nagoya, but that should not mean that we do not try our hardest. We do not want a clash between the developed world, the fast-developing world and the developing world, which is way behind. That dynamic is not insurmountable; we can find a way through. I welcome the fact that a number of different people are going there. I also welcome the fact that GLOBE is so much at the centre of trying to push the concept of doing the work set out in TEEB, and of putting the issues of biodiversity, ecosystems, and green accounting—valuing our natural environment—at the heart of Government.

On Lawton, I share the hon. Gentleman's enthusiasm. National parks and AONBs all have a role in our campaign to reverse the decline in biodiversity. That will be absolutely vital for a host of organisations, including those that are voluntary or member-led—the National Trust, the Wildlife Trusts, small local groups and many more. I look forward to hearing what Sir John says in his report and I applaud the work that he and others have done. I have seen at first hand—well, through a video link—a BioBlitz in Bristol. They are very impressive. It was truly impressive to see young people engaged in that way.

The hon. Gentleman wants to know how we are going to take the matter forward and whether at the end of the international year of biodiversity we are going to forget all about it. No, we are not. He and others would not let me, and we would not want to. It is very important that we build up a head of steam through the international and national work that is taking place, particularly through our White Paper. We can carry that forward and translate it into real, positive action on the ground. That head of steam, or wave of enthusiasm, will not be allowed to diminish.

Barry Gardiner: The Minister will know that the bulk of Britain's biodiversity is not within these islands; it is within our overseas territories. Will he give a commitment that the White Paper will include a very clear focus on the work that we need to do in those international territories? Our responsibilities for biodiversity do not stop at these shores or at the 12-mile limit; they go right across the oceans and islands of this world, because of the commitments we have in those overseas territories.

Richard Benyon: I am well aware of the importance of our overseas territories. The RSPB and others are campaigning hard. Work is being done in places such as Tristan da Cunha and other islands, some of which the hon. Gentleman referred to. I am not entirely certain how that matter will be structured within the White Paper on the natural environment, but I will certainly take his thoughts back to the team. We are conscious of the importance of our responsibilities beyond, as he says, the 12-mile limit.

I hope that the hon. Member for Ogmore thinks that we are continuing the good work that he was doing on common fisheries policy reform. The difference this time around is that we are pushing at an open door with the Commission. Local control is what is needed. We need an ecosystem basis for assessing the matter in the round. It is absolutely vital that there is marine planning, which we are undertaking at the moment, and that a holistic view of our marine environment is taken. There needs to be an end to silo thinking—whether that is by species, geography or sectoral interest. Such an approach has to go; it is in the past. He is right: there are some good people in the Department working on this. We, too, will be working with the devolved Governments to ensure such an approach.

As the hon. Gentleman said, there are global management responsibilities when it comes to fishing. I am keen to support the pan-African agreement on fisheries and to support communities because, as we were discussing, if we allow their fisheries to collapse, we will all feel the impact. If we were to encourage aquaculture that did not take a sustainable approach, we could be diminishing tilapia stocks in other countries, which could have a disastrous effect on their economies. That is just one example.

The hon. Gentleman mentioned uplands. I have already said that of course we value uplands as precious habitats. We understand the importance of schemes that have supported them in the past and that will do so in the future. On the Campaign for the Farmed Environment, the previous Government made the right decision to take a voluntary approach. We have to ensure that we can deliver on that, as must the farmers. They are at the heart of the programme, with the National Farmers Union and other landowning interests, such as the Country Land and Business Association. We will work closely with them. Are we confident that we can measure those benefits? That is something I am determined will come out of the White Paper on the natural environment. I want to ensure that we have a clear way of measuring the benefits that will undoubtedly come out of the programme.

One word that I believe is important is "outcomes". I want us to be completely driven by the need for outcomes. Enormous amounts of public money can be put into the hands of farmers and other organisations, but although they might be doing good work by creating habitats in their areas, they could be ignoring some factor, meaning that we are not fledging more farmland birds or creating more invertebrate habitats. It is so important that an outcomes approach is at the heart of our thinking.

The hon. Gentleman also mentioned non-native and invasive species. I, too, hope that the introduction of psyllids will be a success; I have read the report of a recent debate on that in the House of Lords. I know that the scientific work testing whether it is the right approach is at an advanced stage and hope that we can find a natural way to deal with harmful invasive species.

On the water framework directive, the hon. Gentleman is absolutely right that a partnership approach is the way forward. Lord Smith, from the Environment Agency, and I discussed that this morning and are taking forward a variety of ideas. River trusts are full of enthusiastic, knowledgeable and committed people, and I want to harness their enthusiasm, along with that of a range of other people who are interested in rivers, whether they are anglers, naturalists or people who want to watch otters, for example. Everyone should feel a sense of ownership of not only the narrow stream of their river, but the entire catchment. Engaging that enthusiasm when providing governance for our rivers as we implement the water framework directive will be absolutely key.

Huw Irranca-Davies: I agree with the gist of what the Minister is saying. I think that the first tranche of the river catchment management plans were right in their approach and ambition, although we would have liked to have seen a little more ambition. However, they were met with some caution because they did not go far enough. The previous Government would have faced the difficulty of finding out how to do even more, and the Minister now faces the challenge of doing even more—we all agree that we need to move up the scale, logarithmically, on water quality—with less. Can he say with confidence that, whatever way he cuts it, whether through partnership or whatever, the outcomes approach he talked about will be apparent, so that we deliver huge, tangible improvements over the next five to 10 years not only in water quality, but in the ecology of those river systems?

Richard Benyon: I am prepared to say that we can. I have dealt at great length with a variety of people and organisations over the past few months to see how we can move forward in the important direction in which the directive takes us. Whether or not we had a directive, that is a route that we would take anyway. The hon. Gentleman will know that we face judicial review over certain aspects of it, but I want to go beyond the point of lining the pockets of lawyers, and instead work with organisations, such as those taking that legal route, to ensure that we achieve what we all want: a much better ecology for our rivers. In recent years we got to grips with point source pollution, and credit for that is due to the previous Government, but the big challenge now is to deal with diffuse pollution, which is not easy.

On the illegal trade in protected species, we have carried forward the previous Government's work in a variety of ways. We are determined that the UK should not be a hub for the activities of criminals who trade in illegal products from endangered species. Where we find that products suddenly have new value, there will be stiff action. The hon. Gentleman will have seen that we recently signed an order that seriously limits the trade in old rhino products. The mounted head of a rhino hanging on someone's wall, which could have been shot 60 or 70 years ago, could now be of huge value in international sales, so we have banned the sale of those products unless an extremely good case can be made for it leaving the country. There is much evidence to prove that such products are being used in the illegal medicines trade, as is the case for ivory.

I recently met the secretary-general of CITES—the convention on international trade in endangered species—who was very supportive of our national wildlife crime unit's enforcement work. He gave me an indication of the international nature of the trade and how it is important to work in partnerships, and the European Union is important in that regard. I can assure the hon. Gentleman that we are no less determined. I hope to go out with the national wildlife crime unit and to assist it in feeling a collar or two in the near future.

The hon. Gentleman asked what units of measurement will be used. Those will be developed, and there will be no secret in our processes for doing so. If he or others want to contribute to how we do that, they will be welcome. We will be building on the work of Pavan Sukhdev and TEEB and developing that through the White Paper. Hopefully, by next spring the hon. Gentleman will have an indication of how we can do that. The benefit is that we can start to develop concepts such as conservation credits, which could have a huge benefit in preventing biodiversity loss.

The hon. Gentleman also asked about the place of climate change and biodiversity on the international agenda. Next week I will attend the OSPAR convention, and climate change and biodiversity will be at the centre of what we will say when working with partners in that forum and in the EU. I hope that I have indicated today that we will push those ideas forward next week in New York, next month in Nagoya and in any international environment we can.

Huw Irranca-Davies: One of the big-picture issues that the Minister has not fully addressed is where to go from here, in terms of the mechanisms of government. Perhaps I could offer a practical way forward, if he would agree to meet me, along with my hon. Friend the Member for Brent North (Barry Gardiner), who has experience of the matter, and perhaps the hon. Member for Richmond Park (Zac Goldsmith). I appreciate that that is at Secretary-of-State level, but it would be good to have the opportunity to push the boat out a little further. I am sure that that is not going to come through in its entirety in the White Paper, but it is something that we should be doing over the next couple of years, and we have to start that process.

Richard Benyon: I am grateful for that offer. I will certainly talk with anyone about that, particularly those who have had experience in government. We are still relative newcomers at looking at the machinery of government from the inside, so any assistance that the hon. Gentleman or others can give would be much appreciated. I sense that there is a determination and a real interest at the top of the Government to try to take those ideas forward, so we will work together on that.

The loss of biodiversity, the degradation of the environment and ecosystems, and the need to adapt to and mitigate climate change are the global challenges of our age. International agreement on the successor to the 2010 biodiversity target must be secured. The existing target has galvanised action across the world by Governments and NGOs to tackle the most urgent problems. We cannot afford to lose momentum and must all redouble our efforts to achieve success under a new target.

Question put and agreed to.

4.48 pm

Sitting adjourned.